

**FAMILY CARE HOSPITALS LIMITED**  
**(Formally known as SCANDENT IMAGING LIMITED)**

CIN: L93000MH1994PLC080842

Regd Address: Plot No. A-357, Road No. 26, Wagle Industrial Estate, MIDC, Thane (West), Maharashtra -400604  
Tel No.022 4184 2201; Email: csscandent@gmail.com; Web: www.scandent.in

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**11<sup>th</sup> November, 2022**

**BSE Limited**

Department of Corporate Services  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Mumbai- 400 001  
**Scrip Code: 516110**

Dear Sir / Madam

**Subject: Outcome of the Rights Issue Committee under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") held on Friday, November 11, 2022 at 11:00 a.m. concluded at 4:00 p.m.**

We would like to inform you that the Rights Issue Committee of the Company at their meeting held on Friday, November 11, 2022 at 11:00 a.m. has considered and approved the filing of the Draft Letter of Offer in relation to the proposed Rights Issue of the Company with BSE Limited (the "Stock Exchanges") for their in-principle approval.

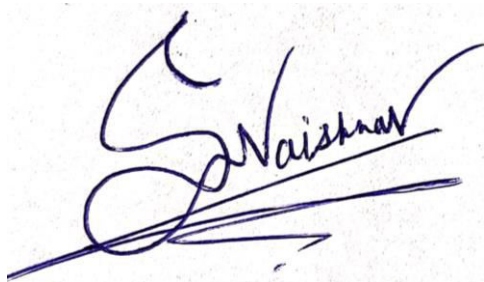
Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith a copy of the Draft Letter of Offer in relation to the proposed Rights Issue of the Company.

We request you to kindly take the above submissions on record.

Thanking You,

Yours Faithfully,

**For FAMILY CARE HOSPITALS LIMITED**  
**(Formally known as SCANDENT IMAGING LIMITED)**



**Sapna Vaishnav**  
**Company Secretary & Compliance officer**



**Family Care**  
HOSPITALS  
FAMILY CARE HOSPITALS LIMITED

Our Company was originally incorporated as “Pharma Offset Limited”, a public limited company under the provision of the Companies Act, 1956 vide certificate of incorporation dated September 5, 1994. Subsequently, the name of our Company was changed to “Pharma Com (India) Limited”. The name of our Company was further changed to “Count N Denier (India) Limited” on March 27, 2012 vide a fresh certificate of incorporation pursuant upon change of name issued by the Register of Companies, Mumbai. Pursuant to acquisition of the majority equity shares and control by the existing promoter, the name of our Company was changed to “Scandent Imaging Limited” on March 17, 2015 vide a fresh certificate of incorporation pursuant upon change of name issued by the Deputy Register of Companies, Mumbai. Further the name of our Company was changed to its present name “Family Care Hospitals Limited” vide a fresh certificate of incorporation dated September 5, 2022, issued by the Register of Companies, Mumbai. For details of changes in name and registered office of our Company, please see section titles as “**General Information**” beginning on page 46 of this Draft Letter of Offer.

**Registered Office:** - Plot A-357, Road No. 26, Wagle Industrial Estate, MIDC, Thane (West) – 400604, Maharashtra, India.

**Tel No:** +91 022-4184 2201 | **Email:** [csscandent@gmail.com](mailto:csscandent@gmail.com) | **Website:** [www.scandent.in](http://www.scandent.in)

**Contact Person:** Sapna Vaishnav, Company Secretary & Compliance Officer

**OUR PROMOTER: GAUTAM DESHPANDE**

**FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF FAMILY CARE HOSPITALS LIMITED (OUR “COMPANY” OR THE “ISSUER”) ONLY**

**ISSUE OF UPTO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] EACH INCLUDING SECURITIES PREMIUM OF ₹ [●] PER RIGHTS EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING UPTO ₹4250.00 LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARE(S) FOR EVERY [●] FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS ₹ [●] WHICH IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE SEE THE SECTION TITLED “TERMS OF THE ISSUE” ON PAGE 178 OF THIS DRAFT LETTER OF OFFER.**

**WILFUL DEFAULTER OR A FRAUDULENT BORROWERS**

We hereby confirm that as on date of this Draft Letter of Offer, neither our Company, our Promoter nor our Directors are categorised as wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

**GENERAL RISKS**

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The securities being offered in the Issue have not been recommended nor approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Specific attention of the investors is invited to “**Risk Factors**” beginning on page 22 of this Draft Letter of Offer before making an investment in this Issue.

**OUR COMPANY’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and this Issue, which is material in the context of this Issue, and that the information contained in this Draft Letter of Offer 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 Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The existing Equity Shares of our Company are listed on BSE Limited (“BSE”). Our Company has received “In-Principle” approval from BSE for listing the Rights Equity Shares through its letter dated [●]. Our Company will also make applications to the Stock Exchange to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purposes of this Issue, the Designated Stock Exchange is BSE Limited.

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**

	<p><b>FEDEX SECURITIES PRIVATE LIMITED</b> B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057, Maharashtra, India <b>Tel No.:</b> +91 81049 85249 <b>Fax No.:</b> 022 2618 6966 <b>E-mail ID:</b> <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> <b>Website:</b> <a href="http://www.fedsec.in">www.fedsec.in</a> <b>Investor Grievance E-Mail ID:</b> <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> <b>Contact Person:</b> Radhika Maheshwari <b>SEBI Registration Number:</b> INM000010163</p>		<p><b>PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED</b> 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Near Lodha Excelus, Lower Parel (E), Mumbai – 400011, Maharashtra, India. <b>Tel No:</b> + 91-22-2301 2518/6761 <b>Email:</b> <a href="mailto:support@purvashare.com">support@purvashare.com</a> ; <b>Contact Person:</b> Deepali Dhuri; <b>Website:</b> <a href="http://www.purvashare.com">www.purvashare.com</a> <b>SEBI Registration Number:</b> INR000001112</p>
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**ISSUE PROGRAMME**

<b>ISSUE OPENS ON:</b>	[●]
<b>LAST DATE OF ON MARKET RENUNCIATION*</b>	[●]
<b>ISSUE CLOSES ON:</b>	[●]#

\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

# Our Board or the Rights Issue committee will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date) or such other time as may be permitted as per applicable law. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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**SECTION I - GENERAL  
DEFINITIONS AND ABBREVIATIONS**

*This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as set forth below, which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.*

*References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time 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 Letter of Offer but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in “**Summary of Letter of Offer**”, “**Terms of the Issue**”, “**Statement of Special Tax Benefits**”, “**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**” and “**Restated Financial Statements**” beginning on pages 19, 178, 64, 158 and 113, respectively, shall have the meaning given to such terms in such sections.*

**CONVENTIONAL / GENERAL AND COMPANY RELATED TERMS**

TERM	DESCRIPTION
“Family Care Hospitals Limited”/ FCHL/ We/ Us/ Our/ Our Company/ the Issuer	Unless the context otherwise indicates or implies refers to Family Care Hospitals Limited (Formerly known as Scandent Imaging Limited), a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time and having its registered office at A-357, Road No.26, Wagle Industrial Estate, MIDC, Thane (West) - 400604, Maharashtra, India.
AOA / Articles / Articles of Association	The Articles of Association of our Company, as amended from time to time.
Audit Committee	Audit Committee of our Board
Auditors / Statutory Auditors	The statutory auditors of our Company, being M/s. S.M. Gupta & Co., Chartered Accountants.
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof as the context may refer to.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Sapna Vaishnav.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Amit Tyagi.
Director(s)	Director(s) on the Board of our Company as appointed from time to time, unless otherwise specified.
Equity Shares/Shares	Equity Shares of our Company having face value of ₹ 10.00/- each, fully paid up, unless otherwise specified in the context thereof.
Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company from time to time.
Eligible Equity Shareholders	Eligible Holders of the equity shares of the Company as on record date.
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please see the section titled “ <b>Our Management</b> ” beginning on page 102 of this Draft Letter of Offer.
ISIN	International Securities Identification Number of the Company is INE146N01016.



TERM	DESCRIPTION
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please see the section titled <b>“Our Management”</b> beginning on page 102 of this Draft Letter of Offer.
Limited Review/ Un-Audited Financial Results	Limited Reviewed Financial Results for the quarter ended June 30, 2022
Memorandum/ Memorandum of Association/ MOA	The Memorandum of Association of our Company, as amended from time to time.
Previous Statutory Auditors	The Previous Statutory Auditors of our Company, being, M/s. M. B. Agrawal & Co., Chartered Accountants
Promoter	Gautam Deshpande.
Registered Office	A-357, Road No. 26, Wagle Industrial Estate, MIDC, Thane (West) - 400604, Maharashtra, India.
Registrar of Companies/ RoC	RoC-Mumbai situated at 100, Everest, Marine Drive, Mumbai - 400002, Maharashtra, India.
Restated Audited Financial Statements/ Restated Financial Statements	The Restated Audited Financial Statements of our Company for the financial years ended March 31 of 2020, March 31, 2021 and March 31, 2022 respectively, which comprises of the balance sheet, the statement of profit and loss, including other comprehensive income, the cash flow statement and the statement of changes in equity for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
Rights Issue Committee	Right issue committee of our Board
Stock Exchange / Designated Stock Exchange	Our Company is listed on BSE Limited. Designated stock exchange is BSE Limited.

#### ISSUE RELATED TERMS

TERM	DESCRIPTION
Abridged Letter of Offer / ALOF	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013.
Additional Right Shares	The Right Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allot/ Allotted/ Allotment	Unless the context otherwise requires, the allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the Application Money lying credit to the Escrow Account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013.
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●].
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Investor who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Allotment Date	Date on which the Allotment is made pursuant to this Issue.
Allottee(s)	Person(s) who is Allotted Equity Shares pursuant to the Allotment
Applicant(s)/ Investors	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer.

TERM	DESCRIPTION
Application	Application made through submission of the Application Form or Plain Paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Rights Equity Shares in the Issue.
Application Money	Aggregate amount payable at the time of Application i.e. ₹ [●] per Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) used by ASBA Applicants to make an application authorizing the SCSB to block the amount payable on application in their ASBA Account maintained with such SCSB.
ASBA Account	The account maintained with the SCSB and specified in the Application Form or the plain paper Application by the Applicant for blocking the amount mentioned in the Application Form or the Plain Paper Application.
ASBA Applicant/ ASBA Investors	As per the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including renounees) shall make an application for a rights issue only through ASBA facility.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard
Banker(s) to the Issue	Collectively, the Escrow Collection Bank(s), the Allotment Account Bank(s) and the Refund Bank(s) to the Issue, in this case being [●].
Banker to the Issue Agreement	Agreement dated [●] amongst our Company, the Lead Managers, the Registrar to the Issue and the Banker(s) to the Issue for transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and where applicable, refunds of the amounts collected from Applicants/ Investors and providing such other facilities and services as specified in the agreement.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in “ <i>Terms of the Issue</i> ” beginning on page 178 of this Draft Letter of Offer.
Common Application Form / CAF	The application form used by Investors to make an application for Allotment under the Issue
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Lead Managers, the Registrar to the Issue and the Stock Exchanges, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> .
Demographic Details	Details of Investors including the Investor’s address, PAN, DP ID, Client ID, bank account details and occupation, where applicable
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> .
Designated Stock Exchange	BSE Limited

TERM	DESCRIPTION
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996
Draft Letter of Offer/ DLOF	This Draft Letter of Offer dated November 9, 2022 filed with Stock Exchanges, in accordance with the SEBI (ICDR) Regulations, for their observations and in-principal listing approval.
Equity Shares	Fully paid-up equity shares of face value of ₹ 10 each of our Company
Eligible Equity Shareholder(s)	Holder(s) / Beneficial Owner of the Equity Shares of our Company as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, please refer “ <b>NOTICE TO OVERSEAS INVESTOR</b> ” on page 12 of this Draft Letter of Offer.
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident investors – eligible equity shareholders making an Application through the ASBA facility.
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being, [●].
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower as defined under Regulations 2(1) (III) of the SEBI ICDR Regulations
IEPF	Investor Education and Protection Fund
Investor(s)	Eligible Equity Shareholder(s) of our Company on the Record Date, [●], and the Renouncee(s).
ISIN	International Securities Identification Number
Issue	This issue of upto [●] Equity Shares of face value of ₹ 10/- each of our Company for cash at a price of ₹ [●]/- per Rights Equity Share, which includes a premium of ₹ [●]/- per Rights Equity Share aggregating ₹ 4250.00 Lakhs <sup>#</sup> on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Equity Shares for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record date, that is on [●] <sup>#</sup> <b>Assuming full subscription.</b>
Issue Agreement	Agreement dated November 4, 2022 entered into between our Company and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ [●]/- per Rights Equity Share (including a premium of ₹ [●]/- per Rights Equity Share).
Issue Proceeds/ Gross Proceeds	The gross proceeds raised through the Issue.
Issue Size	Amount aggregating ₹ 4250.00 Lakhs <sup>#</sup> <sup>#</sup> <b>Assuming full subscription.</b>
Lead Manager to the Issue/ Lead Manager	Fedex Securities Private Limited
Letter of Offer/ LOF	The final letter of offer to be filed with the Stock Exchanges and SEBI after incorporating the observations received from SEBI and the Stock Exchanges on the Draft Letter of Offer.

TERM	DESCRIPTION
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations.
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the same Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application.
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please see the section titled “ <i>Objects of the Issue</i> ” beginning on page 57 of this Draft Letter of Offer.
NRI(s)	An individual resident outside India who is a citizen of India or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, and shall have the meaning ascribed to such term in the FEMA Regulations
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI - Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before [●]
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Eligible Equity Shareholders eligible to apply for Equity Shares, being [●]
Refund Account Bank	The Banker to the Issue with whom the refund account will be opened, in this case being [●].
Registrar to the Issue/ Registrar	Purva Shareregistry (India) Private Limited
Registrar Agreement	Agreement dated August 05, 2022 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Renouncee(s)	Any person(s) who has/have acquired the Rights Entitlements from the Eligible Equity Shareholders on renunciation.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of on Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e. [●]
Rights Entitlement(s) / RE’s	The number of Right Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being [●] Equity Shares for every [●] Equity Shares held by an Eligible Shareholder; The Rights Entitlements with a separate ISIN ‘[●]’ will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in

TERM	DESCRIPTION
	respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date, in this case being [●].
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Self-certified syndicate banks/ SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time.
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed, being BSE Limited.
Transfer Date	The date on which the Application Money held in the Escrow Account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter or a Fraudulent Borrower	A wilful defaulter or a fraudulent borrower as defined in Regulation 2(1) (III) of the SEBI ICDR Regulations.
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Rights Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

#### INDUSTRY RELATED TERMS

TERM	DESCRIPTION
AB-HWC	Ayushman Bharat-Health and Wellness Centers
AB-PMJAY	Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana
AI	Artificial Intelligence
AIIMS	All India Institute of Medical Sciences
ANDA	Abbreviated New Drug Application
ARTIST	Asian Research and Training Institute for Skill Transfer
AYUSH	Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy
CDL	Central Drugs Laboratory
CoWIN	Covid Vaccine Intelligence Network
EMR	Electronic Medical Record
EUA	Emergency Use Authorization
GDP	Gross Domestic Product
GOI	Government of India
HMS	Hospital Management System
IBEF	India Brand Equity Foundation
IHF	Indian Health Fund
I.M.C Act	The Indian Medical Council Act, 1956
MMR	Mumbai Metropolitan Region
MoHFW	Ministry of Health and Family Welfare
MTI	Medical Tourism Index

NABH Accredited	National Accreditation Board for Hospitals and Healthcare Providers
NDHM	National Digital Health Mission
NHM	National Health Mission
NIACL	New India Assurance Company
NICM	National Institute of Co-operative Management
NNM	National Nutrition Mission
PCIM&H	Pharmacopoeia Commission for Indian Medicine & Homoeopathy
PE	Private Equity
PHC	Primary Healthcare Centers
PIP	Program Implementation Plan
PM-ABHIM	PM Ayushman Bharat Health Infrastructure Mission
PMGKP	Pradhan Mantri Garib Kalyan Package
PMJAY	Pradhan Mantri Jan Arogya Yojana
PMSSY	Pradhan Mantri Swasthya Suraksha Yojana
PPP	Public-Private Partnership
RDIF	Russian Direct Investment Fund
SeHAT	Services e-Health Assistance & Tele-consultation
SII	Serum Institute of India
STN	State Telemedicine Network
VC	Venture Capital
WHO	World Health Organisation

## ABBREVIATIONS

TERM	DESCRIPTION
“₹”, “Rs.”, “Rupees” or “INR”	Indian Rupees
Aadhar	Aadhar Card
A/c	Account
Adjusted loans and advances	Adjustment in the nature of addition to the loans and advances made in relation to certain loans which are treated as investments under Ind AS, but considered as loans by our Company
AGM	Annual General Meeting
Arbitration Act	Arbitration and Conciliation Act, 1996
AS or Accounting Standards	Accounting Standards issued by the ICAI
AIF(s)	Alternative Investment Funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Companies Act, 1956	erstwhile Companies Act, 1956 and the rules made thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
Companies Act, 2013/ Companies Act	Companies Act, 2013 along with the rules made thereunder.
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
CRAR	Capital adequacy ratio/Capital to risk assets ratio
CrPC	Code of Criminal Procedure, 1973



TERM	DESCRIPTION
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996.
Depository Participant / DP	A depository participant as defined under the Depositories Act
DP ID	Depository participant's identification
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly Department of Industrial Policy and Promotion)
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
EGM	Extraordinary General Meeting
EPF	Employee's Provident Fund
EPFO	Employee's Provident Fund Organisation
EPS	Earnings per Equity Share
EUR	Euro
FCNR Account	Foreign Currency Non-Resident account established in accordance with the FEMA.
FDI	Foreign Direct Investment
FDI Circular 2020	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/ Fiscal Year/ Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year, unless otherwise stated
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI
GAAR	General anti-avoidance rules
GAAP	Generally accepted accounting principles
Gazette	Official Gazette of India
GDP	Gross domestic product
GIR	General Index Register
GoI / Government	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
IBEF	India Brand Equity Foundation
ICAI	Institute of Chartered Accountants of India
Income Tax Act	Income-Tax Act, 1961
Ind AS	Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Income Tax Act	Income Tax Act, 1961
Ind As	Indian Accounting Standards as specified under section 133 of the

TERM	DESCRIPTION
	Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
ISIN	International Securities Identification Number
ITAT	Income Tax Appellate Tribunal
LTV	Loan to value ratio
MCA	Ministry of Corporate Affairs
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
Net Asset Value per Equity Share/ NAV per Equity Share	Net Worth/ Number of Equity shares subscribed and fully paid outstanding as at March 31
NBFC	Non-banking financial companies
NCLT	National Company Law Tribunal
Net Worth	Aggregate of Equity Share capital and other equity
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSDC	National Skill Development Corporation
Overseas Corporate Body / OCB	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 beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	Per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
QP	Qualified Purchaser as defined in the U.S. Investment Company Act
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies, Mumbai
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
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 Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

TERM	DESCRIPTION
SEBI Rights Issue Circulars / SEBI Right Issue Circulars / SEBI Rights Issue Circular	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
Securities Act	United States Securities Act of 1933, as amended
STT	Securities Transaction Tax
TAT	Turnaround time
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto
U.S.\$ / USD / U.S. dollar	United States Dollar, the legal currency of the United States of America
U.S. Investment Company Act	Investment Company Act of 1940, as amended
U.S. Person	U.S. persons as defined in Regulation S under the U.S. Securities Act or acting for the account or benefit of U.S. persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i) of Regulation S)
U.S. QIB	Qualified institutional buyer as defined in Rule 144A under the U.S. Securities Act
USA / U.S. / United States	United States of America
U.S. SEC	U.S. Securities and Exchange Commission
U.S. Securities Act	U.S. Securities Act of 1933, as amended
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
w.e.f	With effect from

## NOTICE TO OVERSEAS INVESTOR

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter (collectively referred to as “Issue Material”) and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Issue Material may come are required to inform themselves about and observe such restrictions. For more details, see “*Restrictions on Foreign Ownership on Indian Securities*” beginning on page 206 of this Draft Letter of Offer.

The Issue Material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Material.

Investors can also access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar, the Lead Manager, the BSE Limited.

Our Company, the Lead Managers, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholders.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlement and the Equity Shares may not be offered or sold, directly or indirectly, and the Issue Material or any offering materials or advertisements in connection with the Issue may not be distributed, whole or in part, in or into in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Material will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Issue Material must be treated as sent for information only and should not be acted upon for subscription to Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Issue Material should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Issue Material to any person outside India where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If the Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that he is authorized to acquire the rights and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company reserves the right to treat any Application form as invalid where they believe that Application form is incomplete or acceptance of such Application form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF. Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted or dispatched from the United States (unless the Application Form is submitted by a U.S. QIB in the United States

who is also a QP) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.

Neither the receipt of the Offer Document nor any sale of Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Issue Materials are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose

**THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX, BUSINESS, FINANCIAL OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF THE EQUITY SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER OR ITS AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHTS ENTITLEMENTS OR THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

#### **NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States securities act of 1933, as amended (the "US Securities Act"), or any U.S. State securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (the "United States" or "U.S."), except in a transaction exempt from the registration requirements of the securities act. The rights entitlements and the rights equity shares referred to in the Letter of Offer are being offered in India, but not in the United States. The offering to which this draft letter of offer relates is not, and under no circumstances is to be construed as, an offering of any rights equity shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, this draft letter of offer should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States of America. Envelopes containing an application form should not be postmarked in the United States of America or otherwise dispatched from the United States of America or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer, no payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer, the Abridged Letter of Offer and Application form only to Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires Rights Entitlements or the Rights Equity

Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, that

- I. it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States of America
- II. does not have a registered address (and is not otherwise located) in the United States when the buy order is made, and;
- III. it is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable law, rules and regulations. Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the CAF does not have a registered address (and is not otherwise located) in the United States of America, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; or (iii) where our Company believes that the CAF is incomplete or the acceptance of such CAF may infringe applicable legal or regulatory requirements; or
- IV. where a registered Indian address is not provided, and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such CAF. Rights Entitlement may not be transferred or sold to any person in the United States of America.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**



## FORWARD-LOOKING STATEMENTS

This Draft Letter of Offer contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also 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.

All statements contained in this Draft Letter of Offer that are not statements of historical facts constitute “*forward-looking statements*”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Draft Letter of Offer regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Draft Letter of Offer (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- An inability to retain our healthcare professionals, on whom we are highly dependent;
- Discontinuation of association of our doctors and other healthcare professionals with our hospitals
- Delay in receipt of payment from our patients directly or through insurance companies and corporates
- Uncertainty of the continuing impact of the COVID-19 pandemic on our business and operations
- An inability to maintain and enhance our brand and reputation, and any negative publicity and allegations in the media against us which may adversely affect our market recognition and trust in our services.
- Competition from existing and new hospitals may adversely affect our revenues and profitability;
- General economic and business conditions in the markets in which we operate and in the local, Regional, National and International economies;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian National, State and Local Governments;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under “**Risk Factors**” and “**Our Business**” beginning on pages 22 and 81 respectively of this Draft Letter of Offer.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on our revenue could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. The forward-looking statements contained in this Draft Letter of Offer are based on the beliefs of management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Draft Letter of Offer or the respective dates indicated in this Draft Letter of Offer and neither our Company nor the Lead Managers undertake any obligation to update or revise any of them, whether as a result of new information, future events, changes in

assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### CERTAIN CONVENTIONS

In this Draft Letter of Offer, unless the context otherwise indicates or implies, references to 'Family Care Hospitals Limited', the 'Company', 'our Company', the 'Issuer' are to Family Care Hospitals Limited, and references to 'we', 'our' or 'us' are to Family Care Hospitals Limited.

Unless otherwise specified or the context otherwise requires, in this Draft Letter of Offer, references to the 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Draft Letter of Offer in "crore", "million" and "lakh" units. One crore represents 1,00,00,000. One lakh represents 1,00,000. One million is 10 lakhs.

### FINANCIAL DATA

Unless stated otherwise and unless context requires otherwise, the financial data in this Draft Letter of Offer is derived from the Restated Financial Statements. Our Fiscal commences on April 1 and ends on March 31 of the following calendar year. For details, please see in the section titled "*Restated Financial Statements*" beginning on page 113 of this Draft Letter of Offer.

We have prepared our Financial Statements in accordance with Ind AS prescribed under the Section 133 of the Companies Act 2013. Our Company publishes its financial statements in Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

### MARKET AND INDUSTRY DATA

Aside from the above, unless stated otherwise, market, industry and demographic data used in this Draft Letter of Offer has been obtained from IBEF Report, market research, publicly available information, industry publications and government sources. Industry publications generally state that the information contained in such publication has been obtained from sources believed to be reliable but that the accuracy and completeness of that information are not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified by us or the Lead Manager, and neither our Company nor the Lead Manager make any representation as to the accuracy of that information.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" beginning on page 22 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

### Non-GAAP measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Net Worth, return on Net Worth, Net Asset Value per Equity Share, ratio of non-current liabilities-borrowings (including current maturities of long-term borrowings) / total equity, ratio of Total Borrowings / total equity and earnings before interest, tax, depreciation and amortization have been included in this Draft Letter of Offer. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other 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 across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be

computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

### **Currency of Presentation**

Unless otherwise specified or the context otherwise requires, all references to:

- ‘INR’, ‘₹’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of India; and
- ‘US\$’, ‘USD’, ‘\$’ and ‘U.S. Dollars’ are to the legal currency of the United States of America.

The following table provides information with respect to the exchange rate for the Indian rupee per US\$1.00. The exchange rates are based on the reference rates released by Foreign Benchmark India Private Limited which is available on their website. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

Currency	Exchange Rate as on		
	March 31, 2022	March 31, 2021	March 31, 2020
1 US \$	₹75.81	₹73.50	₹75.39

Source: [www.fbil.org.in](http://www.fbil.org.in)

*Note: In the event that any of the abovementioned dates of any of the respective financial years is a public holiday, the previous calendar day not being a public holiday has been considered.*

## SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the 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 Letter of Offer, including the sections, “*Objects of the Issue*”, “*OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS*”, “*Our Business*” and “*Risk Factors*” beginning on pages 57, 158, 81 and 22 respectively of this Draft Letter of Offer.

### SUMMARY OF INDUSTRY

Indian healthcare delivery system is categorized into two major components public and private. The Government, i.e., public healthcare system, comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of primary healthcare centers (PHCs) in rural areas. The private sector provides majority of secondary, tertiary, and quaternary care institutions with major concentration in metros and tier I and tier II cities. Healthcare has become one of India’s largest sectors, both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment.

For more details, please see the section titled “*OUR INDUSTRY*” beginning on page 68 of this Draft Letter of Offer.

### SUMMARY OF BUSINESS

Our Company is currently operating a hospital under the name Family Care Hospitals at Mira Road, Thane and is currently operating 9 (Nine) Imaging centers across Mumbai region. These imaging centers provide scanning solutions to the dental and ENT doctor fraternity for investigating patient ENT and dental issues. We offer a broad spectrum of health and wellness packages to our customers as per their requirements. For convenience of our customers, we provide value-added services such as home collection of specimens, house calls and various delivery or access modes (i.e., at diagnostic centers, SMS, email, web and mobile portal) for test reports.

### OUR PROMOTER

The Promoter of our Company is Gautam Deshpande. For, further details, please see the section titled “*Our Promoter*” beginning on page 111 of this Draft Letter of Offer.

### OBJECTS OF THE ISSUE

The Net Proceeds are proposed to be used in accordance with the details set forth below:

Sr. No	Objects – Description	Amount (₹ in Lakhs)**
1.	Business Development, Sales Branding and Marketing	Upto 1000.00
2.	Meet Working Capital Requirement	Upto 2000.00
3.	General Corporate Purposes*	[●]
<b>TOTAL</b>		[●]

*\*The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.*

*\*\*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio*

For further details, please see the section titled “*Objects of the Issue*” beginning on page 57 of this Draft Letter of Offer.

### SUMMARY OF FINANCIAL INFORMATION

Following are the details derived from the Limited Review financial results for the period ended June 30, 2022 and the Restated Financial Statements as at and for the Financial Years ended on March 31, 2022, March 31, 2021 and March 31, 2020:

Particulars	For the period ended June 30, 2022 <sup>^</sup>	FY 2021-22*	FY 2020-21*	FY 2019-20*
Equity Share Capital (₹ in Lakhs)	3210.00	3210.00	3210.00	3210.00
Net worth** (₹ in Lakhs)	^	1423.97	907.23	501.25
Revenue from Operations***	1124.35	4206.52	3535.50	1324.60
Total Income**** (₹ in Lakhs)	1148.27	4237.85	3537.27	1326.25
Profit / Loss after Tax (₹ in Lakhs)	130.25	519.88	407.42	2.85
Earnings / (loss) per equity share *****				
- Basic (in ₹)	0.41	1.62	1.27	0.01
- Diluted (in ₹)	0.41	1.62	1.27	0.01
Net Asset Value per Equity Share***** (in ₹)	^	4.44	2.83	1.56
Total borrowings (₹ in Lakhs)	^	434.85	549.04	952.57

<sup>^</sup> As per Limited Review financial results submitted to the Stock Exchange.

\* As per the Restated Financial Statements.

\*\*Net worth (excluding revaluation reserves) means the aggregate value of paid-up equity share capital (including shares pending allotment) and securities premium account, after adding surplus in statement of profit and loss.

\*\*\*Revenue from continuing operations.

\*\*\*\*Comprises revenue from continuing operations and other income.

\*\*\*\*\*From continuing and discontinued operations.

\*\*\*\*\* Net worth divided by the number of weighted average number of equity share outstanding during the year / period.

## INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTER AND PROMOTER GROUP

Pursuant to the letter dated November 3, 2022, our Promoter and member of the Promoter Group, has undertaken that they would subscribe, jointly and / or severally only to the extent of their Rights Entitlements and will not renounce their rights and shall not participate over and above their Rights Entitlement.

The aforementioned subscription of Rights Equity Shares by our Promoter shall not result in a change of control of the management of our Company and shall not result in an obligation on our Promoter to make an open offer to the public shareholders of our Company in terms of the SEBI Takeover Regulations. Further, as on the date of this Draft Letter of Offer, our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable laws, pursuant to this Issue.

## SUMMARY OF OUTSTANDING LITIGATION AND DEFAULTS

A summary of material outstanding legal proceedings involving our Company, its Directors and Promoter, as identified in accordance with the SEBI ICDR Regulations as on the date of this Draft Letter of Offer, including the aggregate approximate amount involved to the extent ascertainable, is provided below.

Name of the Cases	Number of cases	Total amount involved (₹ in Lakhs)
<b>Against our Company</b>		
Tax	-	
Civil	4	Unascertainable
Criminal	1	Rs. 35,00,000/-+ Interest amount not quantifiable
Statutory or Regulatory Proceedings	-	
<b>By our Company</b>		



Name of the Cases	Number of cases	Total amount involved (₹ in Lakhs)
Tax	-	
Civil	2	Unascertainable
Criminal	7	Unascertainable
<b>Against our directors</b>		
Tax	-	-
Civil	-	-
Criminal	5	Unascertainable
Action taken by Statutory or Regulatory Proceedings	1	42,25,00,000/-
<b>By our directors</b>		
Tax	-	-
Civil	1	Unascertainable
Criminal	-	-
<b>By our Promoter</b>		
Tax	-	-
Civil	-	-
Criminal	-	-
<b>Against our Promoter</b>		
Tax	-	-
Civil	-	-
Criminal	-	-
Statutory or Regulatory Proceedings	2	Unascertainable

*\*As on the date of this Draft Letter of Offer our Company has no subsidiaries*

For further details, please see the section titled “**Outstanding Litigations and other Material Developments**” beginning on Page 158 of this Draft Letter of Offer.

#### **RISK FACTORS**

For details relating to risk factors, please see the section titled “**Risk Factors**” beginning on page 22 of this Draft Letter of Offer.

#### **CONTINGENT LIABILITIES OF OUR COMPANY**

For details of the contingent liabilities, please see the section titled “**Restated Financial Statements**” beginning on page 113 of this Draft Letter of Offer.

#### **RELATED PARTY TRANSACTIONS**

For details of the Related Party Transactions, please see the section titled “**Restated Financial Statements**” beginning on page 113 of this Draft Letter of Offer.

#### **ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

Our Company has not issued Equity Shares for consideration other than cash during the period of one year preceding the date of this Draft Letter of Offer.

#### **SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not carried out any split or consolidation of Equity Shares during the period of one year preceding the date of this Draft Letter of Offer.

## SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including in “Our Business”, “OUR INDUSTRY”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Statements” beginning on pages 81, 68, 150 and 113, respectively of this Draft Letter of Offer before making an investment in the Rights Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. Moreover, the COVID-19 pandemic could adversely affect our business and financial results and could heighten other risks described in this section. In making an investment decision with respect to this Issue, prospective investors must rely on their own examination of the Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences to you of an investment in the Rights Equity Shares.

The following risk factors have been determined by our Board of Directors on the basis of their materiality. The following factors have been considered for determining the materiality:

- (i) Some events may not be material individually, but may be found material collectively,
- (ii) Some events may have material impact qualitatively instead of quantitatively; and
- (iii) Some events may not be material at present but may have material impact in the future.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.

### INTERNAL RISK FACTORS

1. **There are outstanding litigations against our Company, Directors and the Promoter of the Company. Any adverse outcome in these proceedings or in any litigation proceedings in which our Company may get involved in, in the future, may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.**

There are certain outstanding legal proceedings involving our Company, Directors and Promoter, which are currently outstanding. Please see the section titled “**Outstanding Litigation and Other Material Developments**” beginning on page 158 of this Draft Letter of Offer.

A Summary of material outstanding legal proceedings involving our Company, Directors and Promoters as on date of this Draft Letter of Offer, including the approximate amount involved to the extent ascertainable, is set out below:

Name of the Cases	Number of cases	Total amount involved (₹ in Lakhs)
<b>Against our Company</b>		
Tax	-	
Civil	4	Unascertainable
Criminal	1	Rs. 35,00,000/-+ Interest amount not quantifiable

Name of the Cases	Number of cases	Total amount involved (₹ in Lakhs)
Statutory or Regulatory Proceedings	-	
<b>By our Company</b>		
Tax	-	
Civil	2	Unascertainable
Criminal	7	Unascertainable
<b>Against our directors</b>		
Tax	-	-
Civil	-	-
Criminal	5	Unascertainable
Action taken by Statutory or Regulatory Proceedings	1	42,25,00,000/-
<b>By our directors</b>		
Tax	-	-
Civil	1	Unascertainable
Criminal	-	-
<b>By our Promoter</b>		
Tax	-	-
Civil	-	-
Criminal	-	-
<b>Against our Promoter</b>		
Tax	-	-
Civil	-	-
Criminal	-	-
Statutory or Regulatory Proceedings	2	Unascertainable

There can be no assurance that these proceedings or other legal proceedings which we may get involved in, in the future, will be decided in our favor or in favor of our Company, our directors (as the case may be) and Promoter. In addition, we cannot assure you that no additional liability will arise out of these proceedings that could divert our management's time and attention and consume financial resources. Any adverse order or direction in these cases by the concerned authorities even though not quantifiable, may have an adverse effect on our business, results of operations and financial condition.

Further, we cannot assure you that the outcome of any outstanding legal proceedings involving our members of the Promoter Group and group entities will not have an adverse effect on our business, results of operations and financial condition.

2. ***Our gross income may decrease substantially if our operation cum management contract is not renewed, are renewed on terms that are unfavorable to us or are terminated.***

We run our sole hospital, Family Care Hospitals (Mira Road) situated at Survey No. 26- Hissa No. 4, Survey No. 27- Hissa No. 5 and Survey No. 24- Hissa No. 3 at Village Goddeo, Bhayandar, Taluka Thane, Maharashtra, under an operation cum management contract with the owner of the hospital. The operation cum management contract is for a period of 9 (Nine) years which commenced on January 18, 2018, subject to such conditions as agreed between the parties and as stated in the operation cum management contract. This contract may be terminated with notice at the discretion of either party. Accordingly, these relationships may not continue for the full term of the contract or may not be renewed, and the owner of the hospital may terminate its relationship with us, including after we have made improvements at the hospital. For example, our earlier operation cum management contract for Family Care Hospital in Mahim, Mumbai was terminated by the owner of the hospital.

The loss of the contract or the renewal of the contract on unfavorable terms could adversely impact our business. Further, if a dispute occurs between us and the owner of the hospital or the owner encounters financial difficulties, we may not receive the deposit or costs borne by us in relation to the operation and management of the hospital.

3. ***We are highly dependent on our doctors, nurses and other healthcare professionals, as well as other key personnel and the loss of, or inability to attract or retain, such persons could adversely affect our business and results of operations.***

Our operation depends upon the commitment of the consultants towards the hospital, their ability, effort and experience of our doctors and healthcare professionals. Our doctors are not associated with us exclusively and allowed to practice and work with other hospitals which are competing with us.

Factors that healthcare professionals consider important before deciding where they will work include emoluments and incentives, reputation of the healthcare establishment, quality of the facilities, and a sufficient number of patients and surgeries made available to them. We seek to attract healthcare professionals who are well-known personalities in their fields and regions with large patient bases and referral networks, and it may be difficult to negotiate favourable terms and arrangements with these professionals. We typically agree to pay our physicians a professional fee based on the services they provide. Depending on market conditions and scarcity of the trained professionals, we may have to increase the fees and salaries (as applicable) paid to our healthcare professionals and consultants, and there would be no assurance that we will be able to control such expenses completely as planned. If we are unable to make payments to these consultants or other healthcare professionals on time, or if our relationship with them deteriorates, or these professionals receive better opportunities with other healthcare service providers, we may be unable to retain them.

Failure to attract and retain such qualified healthcare professionals for our hospitals could adversely affect our business, financial condition, results of operations, cash flows and prospects. Certain patients choose our hospitals because of the reputation of some of our Individual doctors. If we fail to retain those key doctors, we may not be able to attract such patients, which may have and verse impact on the patient volume and our profitability.

There is no assurance that our consultant doctors will continue to provide services to us or devote their full 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 with regard to how these doctors allocate their time and other resources between our hospitals and other clinics or hospitals at which they work and where doctors refer patients. Such conflicts may prevent us from providing a high quality of service at our hospitals and adversely affect the level of our patient intake which may have an impact on our business, results of operations and cash flows.

As a multi-specialty hospital operator, we must attract and retain qualified healthcare professionals in a wide range of specialty areas, and there may be fewer qualified professionals and competition for these individuals in a particular specialty area at the time when our staffing needs arise.

We may also be required to incur increased costs to retain and recruit medical personnel, which may have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

4. ***We require several licenses and approvals for our business and operations, which may be subject to periodic renewal and review. Failure to obtain them in a timely manner or at all may adversely affect our operations.***

We require certain approvals, licenses, registrations and permissions to operate our business, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or renewing such licenses, registrations and permissions. For further details, see the section titled ***“GOVERNMENT AND OTHER APPROVALS”*** beginning on page 171 of this Draft Letter of Offer. If we fail to obtain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected.

5. ***We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition.***

We are involved in disputes, lawsuits, claims, inquiries and proceedings including commercial matters that arise from time to time in the ordinary course of business. For details of the outstanding litigation please see section titled “**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**” and for the details of Contingent Liability please see section titled “**Restated Financial Statement – Note 21**” on page 158 and 113, respectively of this Draft Letter of Offer. If a significant portion of our contingent liabilities materialize, it could adversely affect our results for operations, financial condition and cash flows.

6. ***We have unsecured loans from related parties and other lenders, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations.***

As per our Restated Financial Statements, as on March 31, 2022 we have unsecured loan of ₹ 54.91 lakhs from related parties and others which is repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our liquidity and business operations. For further details of these unsecured loans, please see the section titled “**Restated Financial Statements**” beginning on page 113 of this Draft Letter of Offer.

7. ***We are yet to obtain consents/ no objection certificate from certain lenders of our Company for the Issue.***

Our Company has entered into agreements for borrowings with certain lenders. These agreements include certain restrictive covenants regarding inspection of books of accounts of the Company, which mandate certain restrictions in terms of our business operations which inter-alia include change in capital structure (including this present proposed Issue), repaying secured loan and unsecured loans, undertake guarantee obligations, which shall require our Company to obtain prior approval. In accordance with the terms of the loan agreements, our Company had applied to 2 (02) lenders for obtaining their consents/ non-objection certificates for undertaking this Issue, however, as of date of this Draft Letter of Offer, our Company has not received no-objection certificates from both (02) lenders. We have vide mails dated August 01, 2022, requested to provide us with their consent/no objection certificate to undertake the Issue, however, as of date of this Draft Letter of Offer, we have not received any response from these lenders. Undertaking the Issue without obtaining consents/no objection certificates from the aforementioned lenders may constitute a breach of covenant under the relevant financing documents, which could entitle the respective lenders to consider this Issue as an event of default under the loan agreements, thereby entitling them to take adverse actions against our Company as per their respective agreements. The occurrence of any of the events mentioned above can adversely affect our business, results of operations and financial condition.

8. ***Our Audit Report for FY 2022 includes following remarks as “Emphasis of Matter”.***

Our Auditor’s report for the FY 2022 contains certain observations as “Emphasis of Matter”. The observations as per Audit Report is mentioned below:

a) Attention is invited to Note No. 19 of Financial Statement the fact that in the accompanying statement of financial results relating to Statutory Dues related to Provident Fund Rs. 10.14 lakhs, GST Rs. 43.67 lakhs and Profession Tax Rs. 2.67 lakhs and TDS amounting to Rs. 81.49 lakhs have become overdue and remained unpaid. Interest, penalty, if any in respect of the same has remained unascertained and unaccounted for.

b) IND AS 115 requires Income to be recognised as and when the performance obligation is satisfied. However, the Company has a policy of recognizing Income on receipt basis. Income is booked as and when the patient (client) makes the payment. The amount cannot be quantified in absence of proper details.

c) An eviction suite is filed against the Company due to non-payment of lease rent in respect of the Mahim Division. As per Order dated 27th September, 2021 of the Small Causes Court Mumbai has directed the Company to deposit arrears of rent. The total amount under the said order approximately

accumulated to Rs 386 lakhs. However, the Company has preferred an appeal against the aforesaid order. Pending the outcome, no provision for the said amount has been made.

The opinion of our auditor is not modified in respect of aforesaid matters.

9. ***Our Company doesn't own the premises where its imaging centers and registered office are situated, and lease/leave & license agreement have been executed for the same. Any termination or dispute in relation to this lease/ rental agreement may have an adverse effect on our business operations and results thereof.***

All our imaging centers are located on premises that are not owned by us. Further, our registered office is located on premises that are leased by our Company. In relation to our imaging centers, while we are typically provided the premises on which we conduct our operations, there is no assurance that such arrangements will continue to be made. In case we are required to enter into lease and leave and license agreements for a substantial portion of our operations in the future, in the event of any deficiency in the title of the owners from whose premises we operate, breach of the contractual terms of any lease, leave and license agreements, or if any of the owners of these premises do not renew the agreements under which we occupy the premises, or if they seek to renew such agreements on terms and conditions unfavorable to us, or if they terminate our agreements, we may suffer a disruption in our operations and will have to look for alternate premises. We may be unable to relocate our diagnostic centers and our registered office in a timely manner or at acceptable terms, which may adversely affect our business, results of operations and financial condition.

10. ***The Accreditations received by the Company is the assurance of the standard and protocols followed by the Company. If we fail to maintain the accreditations or fail to renew accreditations, it will affect our reputation, business, operation and profitability of the Company.***

Our hospital, is accredited by the NABH (National Accreditation Board for Hospitals and Health care Providers). The accreditation of the hospital means the standard followed by the hospital for the care of patients (COP), Management of Medications (MOM) and Access, Assessment and Continuity of Care (AAC). If we fail to adhere the guidelines prescribed by the NABH for continuance of the accreditation and the accreditations are suspended or withdrawn then our reputation, business, operations and profitability will affect adversely, we may lose the patients and doctors who are working with us.

11. ***If we are unable to identify expansion opportunities or we experience delays or other problems in implementing such projects, our growth, financial condition and results of operations may be adversely affected.***

We presently operate one hospital under the brand "Family Care" situated at Mira Road, Thane, Maharashtra. Our growth depends on our ability to acquire and manage additional hospitals. We are continuously evaluating projects for operation and management including acquisition opportunities, some of which we may realize in the imminent future. The number of attractive expansion opportunities may be limited, and may command high valuations. We may be unable to secure the necessary financing to implement expansion plans. If we are unable to expand or grow our operations, our business will be limited to the existing hospital through which we operate and also would result limiting our growth options and ability to increase or sustain the business value and volumes significantly.

12. ***We have experienced negative cash flows in previous years / periods. Any operating losses or negative cash flow in the future could adversely affect our results of operations and financial condition.***

(₹ in Lakhs)

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Net Cash Generated from Operating Activities	158.73	390.27	36.74
Net Cash Generated from Investing Activities	(25.11)	(25.93)	(232.07)
Net Cash Generated from Financing Activities	(156.87)	(481.75)	309.69

Cash flow of a Company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and to make new investments without raising finance from external resources. Any operating losses or negative cash flows could adversely affect our results



of operations and financial conditions. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details please see the section titled **“Restated Financial Statements”** beginning on page 113 of this Draft Letter of Offer.

- 13. As the securities of our Company are listed on Stock Exchange in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/ delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties**

The Equity Shares of our Company are listed on BSE and therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. Our Company endeavors to comply with all such obligations/ reporting requirements any delay in complying with the same may result in the Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act / Rules and Regulations / Circulars made there under. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares. However, there have been delayed compliance with the SEBI Listing Regulations or errors in the disclosure filed with Stock Exchange during the past 12 months and therefore, this Draft Letter of Offer is prepared and submitted in terms of Part B-1 of Schedule VI to the SEBI ICDR Regulations.

- 14. Our Company has not complied with certain statutory provisions under the Companies Act, 2013. Such non-compliance/ lapses may attract penalties.**

Our Company, to a certain extent, has not complied with certain statutory provisions pertaining to various provisions of the Companies Act, 2013. Such non-compliance / lapses may or may not attract penalties in the future. Our Company is required to make filings under various rules and regulations as applicable under the Companies Act, 2013, some of which have not been done within the stipulated time period.

Some of the discrepancies including but not limited to consists of:

- Sheetal Musale resigned as Company Secretary and Compliance officer of the Company w.e.f. 24.12.2021. The disclosure in this regard has been filed with BSE on 24.12.2021. The Company has not filed Form DIR-12 intimating Registrar of Companies about the said resignation. This is non-compliance of Section 203 of Companies Act, 2013 read with Rule 18 of Companies (Appointment and Qualification of Directors) Rules, 2014.
- Lucy Massey was appointed as Additional Director of the Company in the Board meeting held on 08.11.2021 to hold office upto the date of Annual General Meeting and her appointment was not regularized in the Annual General Meeting held on 30.11.2021. The Company has not filed Form DIR-12 for cessation of Lucy Massey as Additional director w.e.f. 30.11.2021. This is non-compliance of Section 161, 152 of Companies Act, 2013 read with Rule 18 of Companies (Appointment and Qualification of Directors) Rules, 2014.
- During the Fiscal year 2019-20, the Company has received show cause notice no. 17/1/2018/IEPFA/INSP1/206(4)/SCN/1F4NF/WR/MUM/10 dated November 19, 2019 from IEPF Authority, MCA for non-transfer of shares to IEPF.

We cannot assure you that these filings and errors will not be subject to any penalties imposed by the relevant authority in this respect.

- 15. Our Promoter/Promoter Group has made delayed compliances as required under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Such noncompliance/ lapses may attract penalties.**

Gautam Deshpande, being the promoter of our Company had in the past gifted 16,89,301 Equity Shares constituting 5.26% of the total paid-up share capital of the Company to his spouse i.e Sowmya Deshpande. The acquirer has inadvertently failed to make timely disclosures required as per Regulation 10 of the SEBI SAST Regulations. However, the requisite disclosures have now been submitted. There

have been instances in past where erroneous disclosures has been filed with the Stock Exchange. We cannot assure you that these delayed compliances will not be subject to any penalties imposed by the relevant authority in this respect and would affect the promoter and promoter group and/or the Company as the case may be.

- 16. *We face intense competition from other healthcare service providers. If we are unable to compete effectively, our business, results of operations and cash flows may be materially and adversely affected.***

We operate in a competitive environment. We compete with hospitals, clinics, diagnostic chains, imaging centers and dispensaries of varying sizes with different specialties. We compete on the basis of factors such as our specialty and other service offerings, quality and selection of healthcare professionals, affordability, quality of care, technology, quality of facilities, patient satisfaction, brand and reputation. Our pharmacies in our hospitals compete on factors such as price and product offerings. Some of our multi-specialty competitors offer services that we do not offer. Some of our competitors are owned or operated by governmental bodies or by private not-for-profit entities supported by endowments and charitable contributions, which can finance capital expenditures without incurring significant tax obligations. We may also face competition from new market entrants, healthcare companies which may enter the Indian market in the future.

- 17. *We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.***

We have entered into certain transactions with related parties with our Promoter, Directors, their relatives, Group Entities and may continue to do so in future. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favorable terms than from transaction with related parties. Additionally, our Company believe that all our related party transactions have been conducted on an arm's length basis, but we cannot provide assurance that we could have achieved more favorable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations, although all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to "**Related Party Transactions**" as stated under the section titled "**Restated Financial Statements**" beginning on page on page 113 of this Draft Letter of Offer.

- 18. *We may generate revenue from the arrangements with government sponsored health schemes, any adverse change in these regulations/government policies related to such schemes may adversely affect our business, results of operations, cash flows and prospects.***

We provide medical services under various government schemes and directives viz Mahatma Jyotiba Phule Jan Arogya Yojana (MJPJAY), Ayushman Bharat Pradhan Mantri Jan Arogya Yojana and Dedicated Covid Healthcare Centre Government schemes are an important source of new patient registrations and revenue for us. Also, pricing for the same are determined as per government statutes. As a result, if the applicable tariffs specified in the agreements with government payers are revised downwards, or if the extent of coverage or limits are reduced, or if the payment terms are made longer, or if the reimbursement policies are changed in the agreements with the government payers, or if the government payers terminate their agreements with us, or if payments get delayed, or if unilateral decisions are announced by the government, our number of new patient registrations will decline, treatment profitability will decline, working capital requirements will rise, and our revenue and profitability could be negatively affected.

- 19. *Our insurance coverage may not adequately protect us against certain operating hazards and this may have an adverse effect on our business. Further, our insurance premia may increase and any significant deterioration in our claims experience, may result in insurance not being available to us on acceptable terms.***

Our existing insurance may not be sufficient to cover all damages, whether foreseeable or not. As a result, 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. Insurance against losses of this type can be expensive and insurance premiums may increase in the near future. Insurance rates may also vary by specialty and other factors. The rising costs of insurance premiums could have a material adverse effect on our financial position and results of operations.

However, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have obtained sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, and while we have no reason to believe that we will not be able to renew our existing insurance coverage as and when such policies expire, or obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct our businesses as now conducted, we cannot assure you that such renewals will be granted in a timely manner, or at acceptable cost, or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered in full or part by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial condition and cash flows could be adversely affected.

Further as on date, our Company does not have D&O insurance.

**20. *We rely on third parties for certain aspects of our operations, and any deficiency in services provided by them could adversely affect our business and reputation.***

We rely on third parties for certain aspects of our operations including but not limited to business coordinators, patient referencing from local medical practitioners and reporting doctor consultants. We cannot assure you that there will be no disruptions in the provision of such services or that these third-parties will adhere to their contractual obligations. If there is a disruption in the third-party services, or breach of contractual obligations, or if the third-party service providers discontinue their service agreements with us, or change their priority to serve patients to us, our business could be adversely affected and may result in litigation or other costs. Such additional costs, in addition to the cost of entering into agreements with third-parties in the same industry, may adversely affect our business, results of operations and financial condition. If any third-party service provider terminates its contractual arrangement with our Company, we cannot assure you that we will be able to replace it with other third party service provider in a timely manner and at acceptable terms, or at all.

We cannot assure you that the performance of such third-parties will meet our required specifications or performance parameters and cannot be decisively integrated into our business operations. Our third-party service providers are contractually obligated to provide their service in accordance with the requirements and standards set forth in our contractual arrangements with them, however, we have limited control over such third parties and we may be subject to liability in case of their non-compliance with their contractual obligations. A failure by such third parties to perform their obligations as stipulated or as being indicated at all may result in us not being able to effectively provide our services and adversely affect our business, financial condition and results of operations.

**21. *If we are unable to keep abreast with technological changes, new equipment and service introductions, changes in patients' needs and evolving industry standards, our business and financial condition may be adversely affected. Further, we will also incur costs associated with replacing obsolete equipment.***

The health care industry involves new developments due to continuous research and up gradation of medical equipment's, patients need for the upgraded instruments and equipment's needed to cater treatment, substantial changes in treatment methodologies, and changes in Indian government medical treatment guidelines. One of the factors for the medical expert consultants and doctors to be retained with the Hospital is providing them the latest available medical instruments. Changes may require fresh investment into equipment and technology and also increased maintenance and service costs. Our success depends on our ability to anticipate industry trends and identify, develop and market new value-added services that meet patient demands, to continually enhance our equipment and technologies in a timely and cost-effective manner. The change in the industry standard require us to upgrade internal

process and procedures and new equipment and technologies. The changes require deployment of additional finance and if we are not able to arrange the finance in a timely manner and any delays in procuring the latest equipment's, will affect our business, financial conditions and operation of the hospital and imaging centers.

**22. *Delay in receipt of payment from our patients / customers may affect our cash flows, which may, in turn affect our financial condition and results of operations.***

Our patients either pay for their medical expenses by themselves, or through third party payers or through some other credit arrangements. Such third-party payers include central, state and local government bodies, private and public insurers, third party insurance service administrators and corporate entities that pay for medical expenses of their employees. Agreements with third party payers typically specify the services covered, the approved tariffs for each of the services and the terms of payment. Our revenue received through such third-party payers constitutes a key component of our total revenue from operations. We are dependent on the timely payment of outstanding dues by such third-party payers and we suffer from recurring time lapses in recovering our fees and costs incurred from such third-party payers. Some patients who may pay the hospital fees in various instalments, in such case of partial payments we may not be able to collect their remaining payments/instalments in a timely manner or not at all. Delays, cancellations of prior committed payments, changed policies and outlooks of such associates or stopping of cashless facilities also adversely affect the flow of patients and reduces the overall business prospects of our Company.

**23. *Failure to establish and comply with appropriate quality standards when performing imaging, testing and diagnostics services, medical care and support could result in litigation and liability for us and could materially and adversely affect its reputation and results of operations.***

The imaging services that we offer in our imaging centers and diagnostics tests performed in our hospital, are intended to supply healthcare professionals with information to help them establish or support diagnoses and prescribe medication and treatment for patient care. Inaccuracies or negligence in performing the testing and imaging services, for example through the misreading of test results, overdose of drugs, the contamination of samples or errors caused by testing equipment, could lead to incorrect diagnoses by doctors, adverse reactions by patients to the substances used in diagnostic testing, prescriptions of inappropriate treatment or decisions by doctors and other healthcare professionals not to prescribe treatment when treatment is required. Any of these may lead to illness, harm, death or other adverse effects or liabilities, which could in turn subject us to malpractice claims from patients. Further, we are also generally exposed to liabilities relating to its employees' contact with hazardous samples and waste.

Claims and litigation or any negative publicity against us by either patients or employees or other stakeholders may result in liability for the harm or other adverse effects caused. Payments related to such liabilities may adversely affect our financial position and results of operations. The process of defending such cases, including the malpractice claims discussed above, even when we may be successful in their defense, is costly, could distract management from executing our strategy and could result in substantial damage to our Company's reputation in the medical community and adverse publicity leading to substantial damage to our reputation in the general public, each of which could materially and adversely affect our business. To the extent we are held liable for negligence, it could have a material adverse effect on our business, results of operations, financial condition and prospects.

**24. *We are exposed to legal claims and regulatory actions arising from the provision of healthcare services and may be subject to liabilities arising from claims of malpractice and medical negligence which could materially and adversely affect our reputation and prospects.***

We are exposed to the risk of medico-legal claims, legal claims and regulatory actions or otherwise arising out of the medical services provided by us. From time to time, we may be subject to claims alleging, among other things, medical negligence by our healthcare professionals and product liability for medical devices we use, pharmaceuticals we dispense and medical and pharmaceutical products we sell in our pharmacy. We could also be the subject of complaints from patients who are dissatisfied with the quality and cost of healthcare services. We may from time to time receive complaints from, or be

involved in, disputes with our clients and patients with regard to misdiagnosis and other acts of medical negligence. The occurrence of false positive or false negative checkup results, misdiagnosis and other acts of medical negligence is a unique risk of the healthcare service industry caused by uncertainties during the medical examination service process. They can be attributed to various factors, such as the negligence of medical personnel, failure of medical equipment, inaccurate results of medical tests conducted by outsourced laboratories, individual patient-specific conditions and disease complications.

We rely on our healthcare professionals to make proper diagnoses, administer proper treatment and make other clinical decisions. However, we do not have direct control over the clinical activities of our healthcare professionals, as their diagnoses and treatments of patients are subject to their professional judgment, and in most cases, must be performed on a real time basis.

- 25. *If we fail to achieve favorable pricing on medical consumables, pharmacy items, drugs, and surgical instruments from our suppliers or are unable to pass on any cost increases to our payers, and other adverse regulatory changes in the healthcare industry our profitability could be materially and adversely affected.***

Our profitability is affected by our ability to achieve favorable pricing on our medical consumables, pharmacy items and medical equipment from our suppliers, including through negotiations for supplier rebates. Because these supplier negotiations are continuous and reflect the ongoing competitive environment, the variability in timing and amount of incremental supplier discounts and rebates can affect our profitability. These supplier programs may change periodically, potentially resulting in higher cost of surgical instruments, drugs and consumables. Further, such pricing constraints can impair our continued profitability and financial condition in general. If we are unable to adopt alternative means to deliver value to our patients, our revenue and profitability may be materially and adversely affected.

- 26. *Employee misconduct or failure of our internal processes or procedures could harm us by impairing our ability to attract and retain patients and subject us to significant legal liability and reputational harm.***

Our business is exposed to the risk of employee misconduct or the failure of our internal processes and procedures. Our business operations involve significant interaction with patients. Misconduct by employees could involve the improper use or disclosure of confidential information, integrity in execution of assigned tasks, competency in executing responsibilities as per standard protocols or instructions, which could result in costly litigation and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures and insurance coverage, we may be unable to adequately prevent or deter such activities in all cases. While we have been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings in connection with any such unauthorized transaction, fraud or misappropriation by our employees, which could adversely affect our goodwill, business prospects and future financial performance. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

- 27. *We are dependent on a number of Key Management Personnel, including our 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.***

We depend on our Promoter, Key Managerial Personnel to maintain strategic direction, manage the operations and meet the business challenges that may arise in future related to the business. The loss of, or inability to attract or retain, such persons could materially and adversely affect our business and financial results. Our Promoter, Key Managerial Personnel and Senior Management have been integral part of our Company for the development of the business. 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.

**28. *If we are unable to establish and maintain an effective internal control, our business and reputation could be adversely affected.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis to ensure 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, 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 financial fraud.

**29. *The occurrence of various man-made and natural disasters at facility center are susceptible to risks and could adversely affect our results of operations and financial conditions.***

We store, handle and use certain chemicals, such as alcohol, sanitizers, gases, radioactive materials, fuel and other inflammable materials at our hospital. Healthcare facilities are subject to risks associated with fires, power failures, telecommunications failure and other events. Such events could materially impact our business in the future. Furthermore, any short circuit of power supply for our equipment and machines including air conditioning plants could result in accidents and fires that could result in injury or death to our employees, our patients, and other persons present at our hospital. Natural disasters such as cyclones, storms, floods, earthquakes, tornadoes, fires, explosions, pandemics and man-made disasters such as terrorism, political tensions, civil unrests and other acts of violence and wars like situations in India could adversely affect our business, financial condition and results of operations.

**30. *Our business and operations would suffer in the event of computer system failures, cyber-attacks or deficiencies in our cyber-security.***

Our information technology systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security and result in identity theft, for which we could potentially be liable. We are responsible for protecting the personal, sensitive information about our patients collected and stored by us from privacy breaches. However, a privacy breach may occur through procedural or process failure, information technology malfunction, or deliberate unauthorized intrusions. Theft of data for competitive purposes, particularly patient lists and preferences, is an ongoing risk whether perpetrated via employee collusion or negligence or through deliberate cyber-attack. Despite the implementation of security measures, our internal computer systems, and those of third parties on which we rely, are vulnerable to damage from, among others, computer viruses, malware, natural disasters, terrorism, war, telecommunication and electrical failures, cyber-attacks or cyber-intrusions over the Internet, attachments to emails, persons inside our organization, or persons with access to systems inside our organization or similar disruptive problems. The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusion, including by computer hackers, foreign governments, and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. If such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our product development programs. Any such security breach may compromise information stored on our networks and may result in significant data losses or theft of personally identifiable information. A cybersecurity breach could also hurt our reputation by adversely affecting the patients' perception of the security of their information. In addition, a cybersecurity attack could result in other negative consequences, including disruption of our internal operations, increased cyber security protection costs, lost revenue, regulatory actions or litigations.

**31. *Our business may be adversely affected by adverse news, scandals or other incidents associated with the Indian pharmaceutical industry***

Incidents that reflect doubt as to the quality or safety of pharmaceutical products sold by other participants in the Indian pharmaceutical industry, including by our competitors, have been, and may continue to be, subject to widespread media attention. For example, in the past, there have been negative publicity relating to proposed and bans on online pharmacies in certain markets. Industry bodies have also lobbied against and issued warnings to online pharmacies, and have complained to drugs controllers and other authorities. Such incidents may damage the reputation of not only the parties involved, but also the pharmaceutical industry in general, even if such parties or incidents have no relation to us, our management, our employees or our suppliers. Any such negative publicity may indirectly and adversely affect our reputation and business operations.

**32. *Any downtime for maintenance and repair of our medical equipment could lead to business interruptions that could be expensive and harmful to our reputation and to our business.***

Our equipment, including operation theatres, require constant maintenance, including cleaning, sanitizing and overhaul. Maintenance work on most equipment can be performed only by the manufacturer or a designated or third-party service provider and involves significant downtime to complete maintenance. At times, maintenance of some equipment cannot be performed at our hospitals, and may have to be moved to the location of the manufacturer or service provider, adding to the downtime. Our equipment is subject to normal wear and tear and will be in need of repairs from time to time. Some repairs may be routine in nature, involving lower downtime, and some repairs may require replacement of parts of the equipment, which may be time consuming. During such times, we may not be able to put the equipment to use. We may, as a result, suffer losses by reason of not being able to use such equipment.

**33. *We have not independently verified certain data in this Draft Letter of Offer.***

We have not independently verified data from the industry and related data contained in this Draft Letter of Offer and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**34. *The objects of the Offer have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. Any variation in the utilization of the Net Proceeds or in the terms of the conditions as disclosed in this Draft Letter of Offer would be subject to certain compliance requirements.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates and current market conditions, and have not been appraised by any bank or financial institution or other independent agency. It is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. Furthermore, the deployment of the Net Proceeds is at our discretion. We operate in a highly competitive and dynamic industry and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions, business or strategy. Any delay or inability in obtaining such Board/Shareholders' approval may adversely affect our business or operations.

**35. *Our Promoter have diluted significant shareholding of our Company***

Our Promoter was holding 50.73% of the Equity Share capital of the Company as on March 31, 2022. Subsequently, our Promoter has diluted his shareholding in the Company and the present shareholding of the Promoter and members of the Promoter Group as on September 30, 2022 is 13.74%. Promoter and members of the Promoter Group may have certain implications, including but not limited to any restrictions in participating in this Issue. Our Promoter is currently in control of our Company, however,

we cannot assure that our Promoter would continue to be in control of the Company in the future. These could adversely affect the strategic and operational business risk and operations aspect of the Company including their commitment to the Company.

**36. *The deployment of funds is entirely at our discretion and as per the details mentioned in the section titled “Objects of the Issue”***

As the Issue size is not more than ₹ 10,000 Lakhs, under Regulation 82 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoter shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please see the section titled “*Objects of the Issue*” beginning on page 57 of this Draft Letter of Offer.

**37. *Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time, to service our operations and growth requirements, depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuancemay be done on terms and conditions, which may not be favorable to the existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

**38. *Our Company was incorporated in 1994 and it was acquired by existing promoter in the Financial Year 2012-13, therefore certain documents related to incorporation of our Company are not traceable. We cannot assure you that such documents will be available at all or any time in the future.***

Our Company is unable to trace certain Certificate of Incorporation and Certification of Incorporation subsequent to name change. While information in relation to change in the registered office of our Company has been disclosed in “*General Information*” and “*Our Business*” on page 46 and 81 based on statutory filings and data available with the Company, we may not be able to furnish any further information other than what is disclosed.

**39. *Our Company does not have any documentary evidence for the experience and Income Tax Demand Screenshot of some of our Directors.***

Due to lack of documents and relevant information from some of the Directors, we have relied upon their bio-data provided to us as is required under the SEBI ICDR Regulations and therefore cannot verify if the bio-data/profiles of the Directors are correct and also, we have not received Income Tax Demand Screenshot from certain. For further details, please refer to the chapter titled “*Our Management*” beginning on page 102 of this Draft Letter of Offer.

## **EXTERNAL RISK FACTORS**

**40. *Slowdown in economic growth in India could cause our business to suffer.***

Our performance and growth are dependent on the health of the Indian economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any significant change may adversely affect our business and financials.



**41. *Our business and activities may be regulated by the Competition Act, 2002.***

The Competition Act, 2002, as amended (the “Competition Act”), was enacted for the purpose of preventing practices having an adverse effect on competition in India and has mandated the Competition Commission of India (the “CCI”) to regulate 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 in India is void and may result in substantial penalties. Any agreement among competitors which directly or indirectly determines purchase or sale prices, directly or indirectly results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or number of customers in the relevant market or any other similar way, is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void. The Competition Act also prohibits the abuse of dominant position by any enterprise. If it is demonstrated that any contravention committed by a Company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such Company, that person shall be guilty of the contravention and may be punished.

On March 4, 2011, the 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. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. Consequently, all agreements entered into by us may fall 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 appreciable adverse effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by us at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are 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, financial condition, results of operations and cash flows.

**42. *Financial instability in other countries may cause increased volatility in Indian and other financial markets.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has 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 financial sector and its business.

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 impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

These could include greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

**43. *The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.***

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in offer document, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing.

Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the Company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for non-compliance have been prescribed under the Companies Act, 2013, which may subject our Company, Directors, and key managerial employees to such penalties and formal actions as prescribed under the Companies Act, 2013, if we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could harm our reputation. To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavour to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act,

2013, which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

**44. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments and failure to respond to technological advancements and emerging standards and practices on a cost-effective and a timely basis may affect our results of operations.***

Modernization and technology up gradation is essential to reduce costs and increase the output. Our technology may become obsolete or may not be upgraded timely, hampering our operations and financial conditions. We shall further continue to keep our technology updated. In case of availability of an updated technology in the industry, we may be required to implement new technology as failure to respond to technological advancements and emerging standards and practices on a cost-effective and a timely basis may affect our results of operation. Further, the cost in upgrading our technology may be significant which could substantially affect our finances and operations.

**45. *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 its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a 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 and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

**46. *Natural disasters, epidemics, pandemics, acts of war, terrorist attacks and other events could materially and adversely affect our business.***

Natural disasters (such as earthquakes, fire, typhoons, cyclones, hurricanes and floods), pandemics, epidemics, strikes, civil unrest, terrorist attacks and other events, which are beyond our control, may lead to global or regional economic instability, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations. Any of these occurrences could cause severe disruptions to our daily operations and may warrant a temporary closure of our facilities. Such closures may disrupt our business operations and adversely affect our results of operations. Our operation could also be disrupted if our customers or business partners are affected by such natural disasters or epidemics.

An outbreak or epidemic, such as SARS, the H1N1 and H5N1 viruses or COVID-19 could cause general consumption or the demand for various products to decline, which could result in reduced demand for our services. Such an outbreak or epidemic may significantly interrupt our business operations as health

or governmental authorities may impose quarantine and inspection measures on us or our contractors, or restrict the flow of cargo to and from areas affected by the outbreak or epidemic.

Furthermore, certain regions in India have witnessed terrorist attacks and civil disturbances and it is possible that future terrorist attacks or civil unrest, as well as other adverse social, economic and political events in India could have a negative effect on us. Transportation facilities, including vehicles, can be targets of terrorist attacks, which could lead to, among other things, increased insurance and security costs. Regional and global political or military tensions or conflicts, strained or altered foreign relations, protectionism and acts of war or the potential for war could also cause damage and disruption to our business, which could materially and adversely affect our business, financial condition, cash flows and results of operations. Such incidents could create the perception that investments in Indian companies involve a higher degree of risk and such perception could adversely affect our business and the price of the Equity Shares. We may also face difficulty in accessing certain parts of India at certain times of the year or under adverse or inclement weather conditions.

**47. *Changing laws, rules and regulations and legal uncertainties in India and other countries may adversely affect our business and financial performance.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax (“GST”) regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017.

Further, the Government of India has announced the union budget for the Fiscal 2023, pursuant to which the Finance Bill, 2021 (“Finance Bill”) has introduced various amendments. The Finance Bill has received assent from the President of India on March 28, 2021, and has been enacted as the Finance Act, 2021 (“Finance Act”). There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition 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. 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. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. 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 businesses or restrict our ability to grow our businesses in the future.

**48. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a Company in another jurisdiction. Shareholders rights including in relation to class actions, under Indian law may not be as extensive as shareholders rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction. Further, our Company’s Articles of Association, composition of our Company’s Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors’

fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a Company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as a shareholder in an Indian Company than as a shareholder of an entity in another country or jurisdiction.


**49. *Adverse geopolitical conditions such as increased tensions between India and China, could adversely affect our business, results of operations and financial condition.***

Adverse geopolitical conditions such as increased tensions between India and China resulting in any military conflict in the region could adversely affect our business and operations. Such events may lead to countries imposing restrictions on the import or export of products or raw materials, among others, and affect our ability to procure raw materials required for our manufacturing operations. We could also be affected by the introduction of import tariffs in India, or in the countries to which we export our products, or changes in trade agreements between countries.

**50. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

**51. *Our Company may be unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.***

Our Company is currently using the logo  which is not owned or registered as a trade name or trademark by our Company and we have taken consent to use Scandent logo on right to use basis from Doctor Dental Services Limited under the provisions of the Trademarks Act, 1999. In case of their withdrawal of our rights to use, we may not be able to make use of such trademark or proprietary rights in connection with our business and consequently, we may be unable to capitalize on the brand recognition associated with our Company. The occurrence of any of such events can adversely affect our business, business reputation, results of operations and financial condition.

**52. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

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 salaries, and other expenses relevant to our business

**53. *Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time-to-time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

- 54. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case the Rights Entitlements do not get credited in time, or in case of On Market Renunciation, such Renouncee will not be able to apply in the Issue with respect to such Rights Entitlements.

- 55. *SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021 and April 22, 2021, October 01, 2021 (SEBI Rights Issue Circular) streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. Further, while in accordance with the SEBI Rights Issue Circulars, the credit of Rights Entitlements shall be made into the demat accounts of the Eligible Equity Shareholders as on the Record Date, such Eligible Equity Shareholders shall be participate in the Issue only in accordance with the applicable laws in their respective jurisdictions.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

- 56. *We cannot guarantee that the Equity Shares issued under this Issue will be listed on the Stock Exchanges in a timely manner, if at all.***

In accordance with Indian law and practice, after our Board or committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the investors, we are required to apply to the Stock Exchanges for final approval for listing and trading of the Equity Shares. There could be a failure or delay in obtaining these approvals from the Stock Exchanges, which in turn could delay the listing of the Equity Shares on the Stock Exchanges. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period. Any failure or delay in obtaining these approvals would restrict your ability

to dispose of your Equity Shares. Further, historical trading prices, may not be indicative of the prices at which the Equity Shares will trade in the future.

**57. *Any future issuance of Equity Shares by us or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares***

Any future issuance of our Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

**58. *Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian Company are generally taxable in India. Previously, any gain realised on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long-term capital gains tax in India if securities transaction tax (“STT”) was paid on the sale transaction. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. 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 our Equity Shares Rights Entitlements.

Further, the Finance Act, 2019, which has been notified with effect from April 1, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019; however, these amendments will come into effect from July 1, 2020. The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic Company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

**59. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant’s decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our

Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**60. *Overseas shareholders may not be able to participate in the Company's future rights offerings or certain other equity issues.***

If our Company offers or causes to be offered to holders of its Equity Shares rights to subscribe for additional Equity Shares or any right of any other nature, our Company will have discretion as to the procedure to be followed in making such rights available to holders of the Equity Shares or in disposing of such rights for the benefit of such holders and making the net proceeds available to such holders. For instance, our Company may not offer such rights to the holders of Equity Shares who have a registered address in the United States unless: (i) a registration statement is in effect, if a registration statement under the US Securities Act is required in order for the Company to offer such rights to holders and sell the securities represented by such rights; or (ii) the offering and sale of such rights or the underlying securities to such holders are exempt from registration under the provisions of the US Securities Act. Our Company has no obligation to prepare or file any registration statement. Accordingly, shareholders who have a registered address in the United States may be unable to participate in future rights offerings and may experience a dilution in their holdings as a result.

**61. *The Issue Price of the Rights Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The Issue Price of the Rights Equity Shares will be determined by our Company in consultation with the Lead Manager. This price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

**62. *After the Issue, the price of the Equity Shares may be volatile.***

The Issue Price may not necessarily be indicative of the market price of the Equity Shares after the Issue is completed. The trading price of the Equity Shares may fluctuate after the Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian financial services industry and the perception in the market about investments in the financial services industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of the Equity Shares could decline for reasons unrelated to our business, financial condition, or results of operations. The trading price of the Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Further, the trading price of the Equity Shares have been volatile in the past.

**63. *No market for the Rights Entitlements may develop and the price of the Rights Entitlements may be volatile.***

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchange during the Renunciation Period or that there will be sufficient liquidity in Rights



Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others.

Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse effect on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Equity Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares.

We will not distribute the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer, Application Form and Rights Entitlement Letter (the "Issue Materials") to overseas Shareholders who have not provided an address in India for service of documents. We will dispatch the Issue Materials to Shareholders who have provided an address in India for service of documents. We will not distribute the Issue Materials to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. In the case that Eligible Equity Shareholders have provided their valid e-mail addresses, the Letter of Offer will be sent only to their valid e-mail address and in the case that such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act and the rules made thereunder with respect to distribution of the Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. Therefore, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act and may subject us to fines or penalties.

**64. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.***

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

**65. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) 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 fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**66. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, any Company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to 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 shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

**67. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

## SECTION III – INTRODUCTION

### THE ISSUE

The Issue has been authorized by way of a resolution passed by our Board of Directors in their meeting held on June 29, 2022 and by the Rights Issue Committee in their meeting held on November 3, 2022, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013. The terms of the Issue including the Record Date and Rights Entitlement Ratio will be determined by the Rights Issue Committee at their meeting held on [●].

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, detailed information included in “*Terms of the Issue*” beginning on page 178 of this Draft Letter of Offer.

<b>Rights Equity Shares being offered by our Company</b>	Upto [●] Rights Equity Shares
<b>Rights Entitlement</b>	[●] Rights Equity Share for every [●] fully paid-up Equity Share(s) held by the Eligible Equity Shareholders on the Record Date
<b>Record Date</b>	[●]
<b>Face value per equity share</b>	₹ 10.00/- each (Rupees Ten only)
<b>Rights Price (Issue Price) per equity share</b>	₹ [●]/- (Rupees [●] only) per Equity Share (including a premium of ₹ [●] (Rupees [●] only) per Equity Share)
<b>Dividend</b>	Such dividend as may be declared by our Board and our shareholders, as per applicable law
<b>Issue Size (Rights Size)</b>	₹ 4250.00 Lakhs # #To be adjusted as per the Rights Entitlement ratio and assuming full subscription.
<b>Equity Shares subscribed, paid-up and outstanding prior to the Issue</b>	3,21,00,000 (Three Crore Twenty-One Lakh) Equity Shares. For details, please see the section titled “ <i>Capital Structure</i> ” beginning on page 52 of this Draft Letter of Offer.
<b>Equity Shares subscribed, paid-up and outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b>	Upto [●] <sup>#</sup> Equity Shares. <sup>#</sup> Assuming full subscription
<b>Security codes for the Equity Shares</b>	<b>ISIN for Equity Shares:</b> INE146N01016 <b>BSE Scrip ID:</b> SCANDENT <b>BSE Code:</b> 516110
<b>ISIN for Rights Entitlements</b>	[●]
<b>Terms of the Issue</b>	For details, please see the section titled “ <i>Terms of the Issue</i> ” beginning on page 178 of this Draft Letter of Offer.
<b>Use of Issue Proceeds</b>	For details, please see the section titled “ <i>Objects of the Issue</i> ” beginning on page 57 of this Draft Letter of Offer.
<b>Terms of Payment</b>	The full amount of Issue price ₹ [●]/- per Right Equity Share is payable on Application.

<sup>#</sup>For details in relation fractional entitlements, see “*Terms of the Issue – Fractional Entitlements*” beginning on page 178 of this Draft Letter of Offer.

## GENERAL INFORMATION

Our Company was originally incorporated as “Pharma Offset Limited”, a public limited company under the provision of the Companies Act, 1956 vide certificate of incorporation dated September 5, 1994. Subsequently, the name of our Company was changed to “Pharma Com (India) Limited”. The name of our Company was further changed to “Count N Denier (India) Limited” on March 27, 2012 vide a fresh certificate of incorporation pursuant upon change of name issued by the Register of Companies, Mumbai. Pursuant to acquisition of the majority equity shares and control by the existing promoter, the name of our Company was changed to “Scandent Imaging Limited” on March 17, 2015 vide a fresh certificate of incorporation pursuant upon change of name issued by the Deputy Register of Companies, Mumbai. Further the name of our Company was changed to its present name “Family Care Hospitals Limited” vide a fresh certificate of incorporation dated September 5, 2022, issued by the Register of Companies, Mumbai.

### REGISTERED OFFICE OF OUR COMPANY

A-357, Road No. 26,  
Wagle Industrial Estate, MIDC,  
Thane (West) – 400604, Maharashtra, India  
Email: [csscandent@gmail.com](mailto:csscandent@gmail.com)  
Website: [www.scandent.in](http://www.scandent.in)  
Tel.: 022-4184 2201

### REGISTRATION NUMBER AND CORPORATE IDENTITY NUMBER OF OUR COMPANY

Registration No.: 080842  
Corporate identity number.: L93000MH1994PLC080842

### DETAILS OF CHANGES IN REGISTERED OFFICE OF OUR COMPANY

The following table sets out the brief details of change of registered office of our Company as on date of this Draft Letter of Offer:

Date of Change of Registered Office	Old Address	New Address	Reason for Change
February 10, 2017	Ground Floor Shop No.12, Tardeo AC Market Building, Tardeo Road, Tardeo, Mumbai - 400034, Maharashtra, India.	503,5 <sup>th</sup> Floor, Churchgate Chambers New Marine Lines, Mumbai - 400020, Maharashtra, India.	Administrative Convenience
January 1, 2018	503,5 <sup>th</sup> Floor, Churchgate Chambers New Marine Lines, Mumbai - 400020, Maharashtra, India.	A – 357, Road No. 26, Wagle Industrial Estate, MIDC, Thane (West), Thane - 400604, Mumbai, Maharashtra, India.	Effort to improve Operational efficiency

### BOARD OF DIRECTORS OF OUR COMPANY

The following table sets out the brief details of our Board as on date of this Draft Letter of Offer:

Name	Age	Designation	Address	DIN
Pandoo Naig	41	Managing Director	307, Naig House, 2nd Floor, Raut Lane, Opp. Iskon Temple Juhu, Vile Parle (West), Mumbai – 400049, Maharashtra, India.	00158221
Lucy Massey	47	Non-Executive Non-Independent Director	Building No.82, Room No 2840, Opp. Bhagawandas Sabhagrah Hall, Nehru Nagar,	09424796

Name	Age	Designation	Address	DIN
			Kurla East, Mumbai - 400025, Maharashtra, India.	
Suryakant Laxman Khare	69	Additional Non-Executive Director	301, Primrose CHS, Ganeshwadi Marg, Panchpakhadi, Thane-400601, Maharashtra, India.	08133920
Dr. Rajnish Kumar Pandey	61	Non-Executive Independent Director	D-101, Ahima Terrace, Ahimsa Marg Chincholi, Off Link Road, Malad (West), Mumbai – 400 064, Maharashtra, India.	01096119
Dhananjay Parikh	66	Non-Executive Independent Director	26/27, Soham Bungalows, Opp. Shobhana Nagar, Vasana Road, Vadodara-390020, Gujarat, India.	02934120
Aneish Kumaran Kumar	64	Additional Non-Executive Independent Director	Flat No 303, 304 B Wing RNA Heights, J.V. Link Road Near Majas Bus Depot, Andheri East, Chakala MIDC, Mumbai-400093, Maharashtra, India	08766256

For further details of our directors, please see the section titled **“Our Management”** beginning on page 102 of this Draft Letter of Offer.

#### REGISTRAR OF COMPANIES

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

100, Everest, Marine Drive,  
Mumbai-400002, Maharashtra, India.

#### COMPANY SECRETARY & COMPLIANCE OFFICER

##### Sapna Vaishnav

A-357, Road No. 26,  
Wagle Industrial Estate, MIDC,  
Thane (West) – 400604, Maharashtra, India  
Email: [csscandent@gmail.com](mailto:csscandent@gmail.com)  
Website: [www.scandent.in](http://www.scandent.in)  
Tel.: 022-4184 2201

The details of Intermediaries are as follows:

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<b>FEDEX SECURITIES PRIVATE LIMITED</b> 3rd Floor, B Wing, Jay Chambers, Nanda Patkar Road, Vile Parle (E), Mumbai – 400 057, Maharashtra, India. <b>Tel No.:</b> +91 81049 85249 <b>Fax No.:</b> 022 2618 6966 <b>E-mail:</b> <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> <b>Website:</b> <a href="http://www.fedsec.in">www.fedsec.in</a> <b>Contact Person:</b> Radhika Maheshwari <b>SEBI Registration Number:</b> INM000010163 <b>Investor Grievance E-Mail:</b> <a href="mailto:mb@fedsec.in">mb@fedsec.in</a>	<b>PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED</b> 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Near Lodha Excelus, Lower Parel (E), Mumbai – 400011, Maharashtra, India. <b>Tel No:</b> 91-22-2301 2518/6761 <b>Email Id:</b> <a href="mailto:support@purvashare.com">support@purvashare.com</a> <b>Website:</b> <a href="http://www.purvashare.com">www.purvashare.com</a> <b>Contact Person:</b> Deepali Dhuri <b>SEBI Registration No.:</b> INR000001112

STATUTORY AUDITOR	LEGAL ADVISOR
<b>M/S. S. M. GUPTA AND CO.</b> <b>Chartered Accountants</b> 1103, Olive Dosti Acres, S M Road, Antop Hill, Wadala East, Mumbai-400037, Maharashtra, India. <b>Tel No:</b> +91 70211 70033 <b>Email Id:</b> <a href="mailto:smguptaco@yahoo.com">smguptaco@yahoo.com</a> <b>Firm Registration No.:</b> 310051E <b>Peer Review No.:</b> 014182 <b>Contact Person:</b> Neena Ramgharia	<b>ALEX ABRAHAM, ADVOCATE</b> 106 <sup>th</sup> Vikas bldg., 11 <sup>th</sup> Bank Street Road, Fort, Mumbai – 400001, Maharashtra, India <b>Tel No:</b> +91 9769273834 <b>Email Id:</b> <a href="mailto:info@hjadvisory.com">info@hjadvisory.com</a> <b>Contact Person:</b> Alex Abraham <b>Bar Council No.:</b> MAH/345/2021
BANKERS TO THE ISSUE	BANKER TO THE COMPANY
[●]  <b>Tel No:</b> [●] <b>Email Id:</b> [●] <b>Website:</b> [●] <b>Contact Person:</b> [●] <b>SEBI Registration No.:</b> [●]	[●]  <b>Tel No:</b> [●] <b>Email Id:</b> [●] <b>Website:</b> [●] <b>Contact Person:</b> [●] <b>SEBI Registration No.:</b> [●]

## INVESTOR GRIEVANCES

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post- Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB (in case of ASBA process), giving full details such as name, address of the applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSB where the Common Application Forms or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process).

For details on the ASBA process, please see the section titled “*Terms of the Issue*” beginning on page 178 of this Draft Letter of Offer.

## EXPERT OPINION

Except for the reports in the section titled “*Financial Information*” and the section titled “*Statement of Tax Benefits*” beginning on pages 113 and 64 of this Draft Letter of Offer from the Statutory Auditors, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditors for inclusion of their name. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

## DESIGNATED INTERMEDIARIES

### Self-Certified Syndicate Banks (“SCSBs”)

The lists of SCSBs notified by SEBI to act as SCSB for the ASBA process is available on the website of SEBI on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details of the Designated Branches of SCSBs collecting the Application Forms, please refer to the above-mentioned SEBI link. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Right Equity Shares Allotted.

### Registrar to The Issue and Share Transfer Agents (“RTA”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

## Collecting Depository Participants (“CDP”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

## STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Fedex Securities Private Limited being sole Lead Manager to this Issue, all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them. Hence, a statement of inter-se allocation of responsibilities is not required.

## CREDIT RATING

This being a Rights Issue of Equity Shares, credit rating is not required.

## DEBENTURE TRUSTEES

Since this is not a debenture issue, appointment of debenture trustee is not required.

## MONITORING AGENCY

As per Regulation 82 of SEBI ICDR Regulations, the issue size is not exceeding ₹ 10,000 Lakhs, therefore appointment of monitoring agency is not applicable to this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## UNDERWRITING

This Right Issue is not underwritten and our Company has not entered into any underwriting arrangement.

## CHANGE IN THE STATUTORY AUDITORS DURING LAST 3 YEARS

Except as disclosed below, there has been no change in the statutory auditors of our Company during the last three years preceding the date of this Draft Letter of Offer:

Name of Statutory Auditor	Date of Change	Reasons for Change
M/s. S. M. Gupta and Co., Chartered Accountants 1103, Olive Dosti Acres, S M Road, Antop Hill, Wadala East, Mumbai-400037, Maharashtra, India. Tel No: +91 70211 70033 Email Id: <a href="mailto:smguptaco@yahoo.com">smguptaco@yahoo.com</a> Firm Registration No.: 310051E Peer Review No.: 014182 Contact Person: Neena Ramgharia	November 30, 2021	Appointment of the current Statutory Auditors after completion of ten years by M/s. M. B. Agarwal & Co., Chartered Accountants, the erstwhile Statutory Auditors of the Company.

## FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from ₹ 10 crores to ₹ 50 crores.

Since the size of this Issue falls below this threshold, this Draft Letter of Offer will be filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange i.e BSE Limited.

Further, in light of the SEBI notification dated March 27, 2020, our Company will submit a copy of this Draft Letter of Offer / Letter of Offer to the e-mail address: [cfdil@sebi.gov.in](mailto:cfdil@sebi.gov.in).



## MINIMUM SUBSCRIPTION

The objects of the Issue are Business Development, Branding, Sales and Marketing Expenses, meeting the Working Capital Requirements and General Corporate Purpose, and do not involve financing of capital expenditure for a project.

Further, our Promoter and members of the Promoter Group, through their letter dated November 3, 2022 have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements and shall not participate over and above their Rights Entitlements.

Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue and the size of the issue will stand reduced to the extent of the Rights Issue subscribed.

## ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

<b>Last Date for credit of Rights Entitlements</b>	[●]
<b>Issue Opening Date</b>	[●]
<b>Last Date for On Market Renunciation of Rights Entitlements#</b>	[●]
<b>Issue Closing Date*</b>	[●]
<b>Finalization of Basis of Allotment (on or about)</b>	[●]
<b>Date of Allotment (on or about)</b>	[●]
<b>Date of credit (on or about)</b>	[●]
<b>Date of listing (on or about)</b>	[●]

*Note:*

*#Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date;*

*\*Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

Please note that if Eligible Shareholders holding Equity Shares in physical form as on Record date who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., [●].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, the Lead Manager or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Application Forms, please see the section titled “**Terms of the Issue**” beginning on page 178 of this Draft Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at [www.purvashare.com](http://www.purvashare.com) after keying in their respective details along with other security control measures implemented there at. For further details, please see the paragraph titled see “**Credit of Rights Entitlements in demat accounts of Eligible Shareholders**” under the section titled “**Terms of the Issue**” beginning on page 178 of this Draft Letter of



Offer.

Please note that if no Application is made by the Eligible Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

## CAPITAL STRUCTURE

The Share Capital of our Company as on the date of this Draft Letter of Offer and after the proposed Issue is set forth below:

*(Amount in ₹ Lakhs, except the share data)*

Sr. No.	Particulars	Aggregate value at	
		Face value	Issue Price
<b>1</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	7,50,00,000 Equity Shares of face value of ₹ 10.00/- each	7500.00	-
<b>2</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>		
	3,21,00,000 fully paid-up Equity Shares of face value of ₹ 10.00/- each	3210.00	-
	<b>PRESENT ISSUE IN TERMS OF THE DRAFT LETTER OF OFFER (*)</b>		
	Upto [●] Equity Shares of face value of ₹ 10.00/- each at an Issue price of ₹ [●]/- per Equity Share (including a premium of ₹ [●]/- per Equity Share)	[●]	Upto 4250.00
<b>3</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE (#)</b>		
	Upto [●] fully paid-up Equity Shares of face value of ₹ 10.00/- each	[●]	-
<b>4</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the issue i.e. March 31, 2022		7.50
	After the Issue <sup>(^)</sup>		[●]

\*The present Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on June 29, 2022 and by our Right Issue Committee at its meeting held on November 3, 2022.

# Assuming full subscription for and allotment of the Rights Entitlement

^ Subject to finalisation of Basis of Allotment, Allotment, and deduction of Issue expenses

### Notes to the Capital Structure:

- The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer.
- At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.
- As on the date of this Draft Letter of Offer, our Company has not issued any SR equity and there no outstanding equity shares having special voting rights.
- Our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible later into Equity Shares.**  
As on the date of this Draft Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible later into Equity Shares.
- Details of stock option scheme of our Company**  
As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme.
- Details of Equity Shares held by the Promoter and Promoter Group including the details of lock-in, pledge of and encumbrance on such Equity Shares**  
As on the date of this Draft Letter of Offer, none of the Equity Shares held by our Promoter and members of the Promoter Group are locked-in, pledged or encumbered.
- Details of acquisition by the Promoter and Promoter Group in the last one year prior to the filing of this Draft Letter of Offer**

**Sowmya Deshpande:**

Category (Promoter / Promoter Group)	Date of Transaction	Nature of Transaction	Number of Equity Shares transacted
Promoter Group	June 10, 2022	Acquisition (Gift)	1689301

*Note: Gautam Deshpande, our Promoter has sold shares during the last one preceding year as on the date of Draft Letter of Offer.*

8. No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in the rights issue, except for fees or commission for services rendered in relation to the Issue.

**Intention and extent of participation by our Promoter and Promoter Group:**

Pursuant to the letter dated November 3, 2022, our Promoter and member of the Promoter Group, has undertaken that they would subscribe, jointly and / or severally only to the extent of their Rights Entitlements and will not renounce their rights and shall not participate over and above their Rights Entitlement.

The aforementioned subscription of Rights Equity Shares by our Promoter shall not result in a change of control of the management of our Company and shall not result in an obligation on our Promoter to make an open offer to the public shareholders of our Company in terms of the SEBI Takeover Regulations. Further, as on the date of this Draft Letter of Offer, our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable laws, pursuant to this Issue.

**Ex-Rights price per Equity Share**

The ex-rights price per Equity Share as per Regulation 10(4)(b)(ii) of the SEBI Takeover Regulations is ₹ [●]. The ex-rights price per Equity Share has been calculated assuming full subscription to the Issue.

**Shareholding pattern**

Set forth below is the shareholding pattern of our Company as on September 30, 2022 in accordance with Regulation 31 of the SEBI Listing Regulations:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No of fully paid up equity shares held (IV)	No of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No of Shares held (VII = IV + V + VI)	Shareholding as a % of total No. of Shares (calculated as per SCRR,1957 (As a % of (A + B + C2) (VIII)	Number of Voting Rights held in each Class of securities (IX)		No of underlying outstanding convertible securities (incl. Warrants) (X)	Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI =VII +X)	Number of Locked in shares (XII)		No. of shares Pledged or Otherwise Encumbered (XIII)		No. of Equity shares held in Demat Form (XIV)
								No of voting Right	Total as % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
A	Promoter and Promoter Group	2	44,11,288	Nil	Nil	44,11,288	13.74	44,11,288	13.74	Nil	Nil	Nil	Nil	Nil	Nil	44,11,288
B	Public	37,903	2,76,88,712	Nil	Nil	2,76,88,712	86.26	2,76,88,712	86.26	Nil	Nil	Nil	Nil	Nil	Nil	2,66,90,912
C	Non-Promoter Non-Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C1	Shares Underlying DRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

C2	Shares held by Employee Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (A+B+C)</b>	<b>37,905</b>	<b>3,21,00,000</b>	<b>Nil</b>	<b>Nil</b>	<b>3,21,00,000</b>	<b>100.00</b>	<b>3,21,00,000</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>3,11,02,200</b>

Source: [www.bseindia.com](http://www.bseindia.com)

**Shareholding pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations:**

- i. The statement showing holding of the Equity Shares of the persons belonging to the “Promoter and Promoter Group” including details of Equity Shares which are locked-in, pledged or encumbered can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=516110&qtrid=115.01&QtrName=30-Sep-22>
- ii. The statement showing holding of the Equity Shares of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of the Equity Shares as on September 30, 2022, can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=516110&qtrid=115.01&QtrName=30-Sep-22>
- iii. The statement showing holding of the Equity Shares of persons belonging to the category “Non-Promoter-Non-Public shareholder” can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=516110&qtrid=115.01&QtrName=30-Sep-22>
- iv. The list of shareholders holding 1% or more of the paid-up capital of our Company is as under as on September 30, 2022:

Sr No.	Name of Shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)
1.	Westbury Tradecom Limited	693443	2.16
2.	Gautam Deshpande	2721987	8.48
3.	Latin Manharlal Securities Pvt. Ltd.	854736	2.66
4.	Alacrity Securities Limited	1102731	3.44
5.	Odyssey Corporation Limited	596366	1.86
6.	Sowmya Deshpande	1689301	5.26

**Confirmations:**

1. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue and the participation of our Promoter and members of our Promoter Group in the Issue, as specified above, shall not result in a breach of the same.
2. Our Company shall ensure that any transaction in the Equity Shares by the Promoter and the Promoter Group during the period between the date of filing this Draft Letter of Offer and the date of closure of the Issue shall be reported to the Stock Exchange within 24 hours of such transaction.
3. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

## OBJECTS OF THE ISSUE

The Net Proceeds from the Issue are proposed to be utilised by our Company for the following objects (collectively referred to as "Objects"):

1. Business Development, Sales, Branding and Marketing Expenses;
2. To meet working capital requirements; and
3. General Corporate Purposes

The main objects clause and objects incidental or ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Issue.

In addition to the aforementioned objects, our Company intends to strengthen its capital base

### Net Proceeds

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

Particulars	Estimated Amount (₹ In lakhs)
Gross Proceeds from the Issue*#	Upto 4250.00
Less: Issue Related Expenses	[●]
<b>Net Proceeds</b>	<b>[●]</b>

*\*Assuming full subscription and Allotment of the Rights Entitlement*

*# To be finalised upon determination of the Issue Price and updated in the Letter of Offer prior to filing with Stock Exchanges*

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

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

(₹ In Lakhs)			
Particulars	Amount to be funded from Net Proceeds	Estimated utilisation of Net Proceeds in FY 2022-23	Estimated utilisation of Net Proceeds in FY 2023-24
Branding and Marketing Expenses	Upto 1000.00	[●]	[●]
To meet the working capital requirements	Upto 2000.00	[●]	[●]
General corporate purposes *	[●]	[●]	[●]

*\*To be finalised upon determination of Issue Price and updated in the Letter of Offer. The amount shall not exceed 25% of the Gross Proceeds.*

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment, interest or exchange rate fluctuations, taxes and duties, working capital margin and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management. Subject to applicable law, if the actual utilisation towards Issue Expenses is lower than the proposed deployment, the balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects.



The above fund requirements are based on our current business plan, internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, see ***“Risk Factors - The objects of the Offer have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. Any variation in the utilization of the Net Proceeds or in the terms of the conditions as disclosed in this Draft Letter of Offer would be subject to certain compliance requirements.”*** beginning on page no. 22 of this Draft Letter of Offer

## **Details of the Objects of the Issue**

### **1. Business Development, Sales, Branding and Marketing Expenses**

In order to increase our patients base, we expect to incur substantial costs towards business development, sales, marketing and promotional expenses, building our doctors / consultant team and strengthening our technology platform to provide our consumers and hospitals with a seamless user interface and connectivity for our operations.

We will make substantial investments in marketing and promotional activities, especially for acquisition of consumers and creation & enhancement of our brand equity, through our marketing efforts as required for the above activities, which involve a combination of: (i) online channels, such as, digital brand and performance advertising campaigns, paid search engine marketing, and using other digital marketing tools; (ii) offline channels, such as, print, radio, television and mass-media campaigns; and (iii) targeted communication through continuous engagement on social media platforms and personalized messages/push notifications and other pertinent marketing and business development tools. We intend to continue our focus on marketing and promotional activities to reach out to new as well as existing consumers, strengthen our engagement with them as well as promote our brand.

Accordingly, we have entered into an agreement dated September 28, 2022, with Dealmoney Distribution and E-Marketing Private Limited, a group entity in connection with e-commerce lead generation and also other offline modules for the Company. The agreement contains the scope and responsibilities in which these business prospects/ leads will be generated. Such lead generation will help us in terms of growing our prospective consumer for family care services.

Our total marketing and business promotion expenses were ₹ 30.62 Lakhs, 14.76 Lakhs and 15.38 Lakhs as per our Restated Audited Financial Statement for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020, respectively and which constituted 0.87%, 0.50% and 1.16% of our total expenses for such periods, respectively. We intend to deploy an amount of upto ₹ 1000.00 Lakhs out of the Net Proceeds towards Marketing and Brand building exercises over the next two Fiscal Years.

Maintaining and improving our marketing strategies involve expenditures which may be disproportionate to the revenue generated and customer acquired. There is risk of increased cost of acquiring new consumers through marketing efforts due to increase in competition for digital traffic. If consumer conversion rates are not commensurate with our expenditure, our expenditure may be disproportionate to our returns on such marketing investments.

### **2. To meet the working capital requirements**

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, networth, borrowings, unsecured loans from banks, body corporates, related party and others. As on March 31, 2022, the amount outstanding on our Company's fund based working capital facilities was ₹202.41 Lakhs, as per Restated Audited Financial Statements.

Our Company requires additional working capital for funding its working capital requirements in the Financial Year 2023 and Financial Year 2024 for executing our growth plan. The funding of the working capital requirements of our Company will lead to a consequent increase in our profitability.

Set forth below are the current assets and working capital requirement of our Company as on March 31, 2022, March 31, 2021 and March 31, 2020 as per the Restated Audited Financial Statement and as certified by S Somani and Associates, Chartered Accountant by way of their certificate dated November 9, 2022.

***Basis of estimation of working capital requirement***

Details of Company's working capital, on the basis of Restated Audited Financial Statement, as at March 31, 2020, March 31, 2021 and March 31, 2022 and source of funding of the same are provided in the table below:

(₹ In lakhs)

Sr No	Particulars	As at March 31, 2022 (Restated)	As at March 31, 2021 (Restated)	As at March 31, 2020 (Restated)
<b>I</b>	<b>Current assets</b>			
	Inventories	15.19	30.28	29.2
	Trade receivables	2145.66	903.16	409.09
	Cash and Bank balance	20.54	43.8	161.2
	Other Financial Assets & Other Current Assets	999.60	130.05	37.93
	<b>Total Current Assets (A)</b>	<b>3180.99</b>	<b>1107.29</b>	<b>637.42</b>
<b>II</b>	<b>Current liabilities</b>			
	Trade payables	1535.07	216.31	190.45
	Other Current Liabilities and Provisions	247.04	199.77	63.53
	<b>Total current liabilities (B)</b>	<b>1782.11</b>	<b>416.08</b>	<b>253.98</b>
	<b>Net working capital (A – B)</b>	<b>1398.88</b>	<b>691.21</b>	<b>383.44</b>
<b>III</b>	<b>Sources of funds</b>			
	Borrowings from banks, financial institution and non-banking financial companies (including bill discounting) and Unsecured Borrowings	217.04	117.51	281.04
	Internal accruals / Equity	1181.84	573.70	102.40
	<b>Total Means of Finance</b>	<b>1398.88</b>	<b>691.21</b>	<b>383.44</b>

For further details, please see the section titled “**RESTATED FINANCIAL STATEMENTS**” on page 113 of this Draft Letter of Offer.

**Expected working capital requirements**

Details of the Company's projected working capital requirements for Financial Year, together with the assumptions and justifications, and the proposed funding of such working capital requirements, are as set forth below:

(₹ In lakhs)

Sr. No.	Particulars	Estimated amount as on March 31, 2023*	Estimated amount as on March 31, 2024
<b>I</b>	<b>Current assets</b>		
	Inventories	[●]	[●]
	Trade receivables	[●]	[●]
	Cash and Bank balance	[●]	[●]
	Other Financial Assets & Other Current Assets	[●]	[●]

Sr. No.	Particulars	Estimated amount as on March 31, 2023*	Estimated amount as on March 31, 2024
	<b>Total Current Assets (A)</b>	[●]	[●]
<b>II</b>	<b>Current liabilities (excluding borrowings)</b>		
	Trade payables	[●]	[●]
	Other Current Liabilities and Provisions	[●]	[●]
	<b>Total current liabilities (B)</b>	[●]	[●]
<b>III</b>	<b>Net working capital requirements (A – B)</b>	[●]	[●]
	<b>Sources of funds</b>		
	Borrowings from banks, financial institution and non-banking financial companies (including bill discounting) and Unsecured Borrowings	[●]	[●]
	Internal accruals / Equity	[●]	[●]
	Issue Proceeds	[●]	[●]
	<b>Total Means of Finance</b>	[●]	[●]

\*Certified by [●], pursuant to their certificate dated [●] bearing [●]

Our Company proposes to utilize upto ₹ 2000.00 Lakhs from the Net Proceeds towards funding our working capital requirements. In addition to the Net Proceeds, our Company expects that the funding pattern for working capital requirements for Fiscals 2023 and Fiscal 2024 will comprise of working capital facilities and internal accruals.

The table below contains the details of the assumptions considered and is derived from the Restated Audited Financial Statements for Fiscal 2020, Fiscal 2021, Fiscal 2022 and the estimations for Fiscal 2023 and Fiscal 2024 and the assumptions based on which the working plan projections has been made and approved by our Board of Directors.

Assumptions for our estimated working capital requirement:

(in days)

Particulars	Holding Levels (March 31, 2024)*	Holding Levels (March 31, 2023)*	Holding Levels (March 31, 2022)*	Holding Levels (March 31, 2021)*	Holding Levels (March 31, 2020)*
Inventories	[●]	[●]	1.32	3.13	8.05
Trade receivables	[●]	[●]	186.18	93.24	112.73
Other Financial & Current Assets	[●]	[●]	86.74	13.43	10.45
<b>Current Liabilities (excluding borrowings)</b>					
Trade payables	[●]	[●]	133.20	22.33	52.48
Other Current Liabilities and Provisions	[●]	[●]	21.44	20.62	17.51

Particulars	Holding Levels (March 31, 2024)*	Holding Levels (March 31, 2023)*	Holding Levels (March 31, 2022)*	Holding Levels (March 31, 2021)*	Holding Levels (March 31, 2020)*
<b>Working Capital Cycle</b>	[●]	[●]	119.60	66.84	61.24

\*Certified by [●], pursuant to their certificate dated [●] bearing [●]

The table below sets forth the key assumptions for our working capital projections\*:

S. No.	Particulars	Assumptions (No. of days)
1.	Inventories	[●]
2.	Trade receivables	[●]
3.	Trade payables	[●]

\*Certified by [●], pursuant to their certificate dated [●] bearing [●]

### 3. General Corporate Purposes

Our Company intends to deploy any balance Net Proceeds towards general corporate purposes, not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The allocation or quantum of utilisation of funds towards the specific purposes will be determined by our Board, based on our business requirements and other relevant considerations, from time to time.

General corporate purposes may include, but are not restricted to, the following:

- strategic initiatives;
- funding growth opportunities;
- strengthening marketing capabilities and brand building exercises;
- meeting ongoing general corporate contingencies;
- meeting fund requirements of our Company, in the ordinary course of its business;
- meeting expenses incurred in the ordinary course of business; and
- any other purpose, as may be approved by the Board, subject to applicable law.

### Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. 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 Issue.

### Issue Related Expenses

The total expenses of the Issue are estimated to be ₹ [●] lakhs. The break-up for the Issue expenses is as follows:

Activity	Estimated Amount (₹ In lakhs)	As a % of total estimated issue expenses <sup>(1)</sup>	As a % of issue size <sup>(1)</sup>
Lead manager(s) fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling commission and upload fees	[●]	[●]	[●]
Registrars to the issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationary	[●]	[●]	[●]
Others, if any (to be specified)	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

**Notes:**

1. *Assuming full subscription and Allotment of the Rights Entitlement. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall adjusted with the amount allocated towards general corporate purposes.*
2. *The fund deployed out of internal accruals as on November 09, 2022 is 4.60 Lakhs towards issue expenses vide certificate dated November 09, 2022 received from S. Somani and Associates and the same will be recouped out of issue expense.*

**Interim use of Net Proceeds**

Our Company, in accordance with the policies established by the Board, from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such investments will be approved by our Board from time to time. Our Company confirms that it shall not use the Net Proceeds for any buying, trading, or otherwise dealing in the shares of any other listed company or for any investment in the equity markets or providing inter-corporate deposits to any related parties.

Additionally, in compliance with Regulation 66 of the SEBI ICDR Regulations, our Company confirms that it shall not use the Net Proceeds for financing or for providing loans to or for acquiring shares of any person who is part of the Promoter Group or Group Companies.

**Bridge financing facilities and other financial arrangements**

Our Company has not raised any bridge loans or entered into any other similar financial arrangements from / with any bank or financial institution as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

**Monitoring of Utilisation of Funds**

Our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall 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 Letter of Offer and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company. Further, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net proceeds from the Objects, as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects, as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

**Appraising Agency**

None of the Objects for which the Net Proceeds will be utilised, require appraisal from any agency in terms of applicable law.

**Other Confirmations**

No part of the Net Proceeds will be utilised by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Companies or Key Management Personnel. Our Company has not entered into nor is planning to enter into any arrangement / agreements with Promoter, members of the Promoter Group, Directors, Key Management Personnel or our Group Companies in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

**Interest of Promoter, Promoter Group and Directors, as applicable to the project or objects of the issue.**

Pursuant to the letter dated November 3, 2022, Gautam Deshpande, Promoter and Sowmya Deshpande, member of the Promoter Group and other members of the Promoter Group, has undertaken that they would subscribe, jointly and / or severally only to the extent of their Rights Entitlements and will not renounce their rights. Except as stated herein above, no part of the proceeds of this Issue will be paid by our Company to our Promoter, our Promoter Group or our Directors.

## STATEMENT OF SPECIAL TAX BENEFITS

To,

**Board of Directors,**

Family Care Hospitals Limited,  
A-357, Road No. 26,  
Wagle Industrial Estate, MIDC,  
Thane (West) - 400604, Maharashtra, India.

**Subject: Statement of Special Possible Tax Benefits available to Family Care Hospitals Limited and its shareholders**

We report that the enclosed statement in the **Annexures**, states the possible special tax benefits under direct and indirect tax Laws and Income tax Rules, 1962 including amendments made by the Finance Act, 2019 and the Taxation Laws (Amendment) Act, 2019 (hereinafter referred to as 'Income Tax Laws'), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders. Several of these benefits are dependent on the Company, its shareholders as the case may be, fulfilling the conditions prescribed under the Act. Hence, the ability of the Company, its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its Shareholders faces in the future, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company, or its Material Subsidiaries and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The benefits discussed in the enclosed Annexures are not exhaustive and also do not cover any general tax benefits available to the Company. Further any benefits available under any other laws within or outside India have not been examined and covered by this statement. This 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. 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 Offer. Neither are we suggesting nor advising the investor to invest in the Offer based on this statement.

We do not express any opinion or provide any assurance as to whether:

- (i) the Company or its shareholders will continue to obtain these benefits in future; or
- (ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We also consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Letter of Offer and Letter of Offer "**(Offer Documents)**" of the Company or in any other documents in connection with the Offer.

We hereby give consent to include this statement of special tax benefits in the Offer Documents and in any other material used in connection with the Offer.

This certificate is issued for the sole purpose of the Offer, and can be used, in full or part, for inclusion in the Offer Documents and any other material used in connection with the Offer, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, recognized stock exchanges, any other authority as may be required and/or for the records to be maintained by the Lead Manager in connection with the Offer and in accordance with applicable law, and for the purpose of any defense the Lead Manager may wish to advance in any claim or proceeding in connection with the contents of the offer documents.

This certificate may be relied on by the Company, Lead Manager, their affiliates and the legal counsels in relation to the Offer.

We undertake to immediately update you, in writing, of any changes in the abovementioned information until the date the Equity Shares issued/transferred pursuant to Rights Issue Equity Shares commence trading on the recognized stock exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date the Rights Issue Equity Shares commence trading on the recognized stock exchanges.

Yours faithfully,

**For S.M. Gupta & Co.  
Chartered Accountants  
FRN: 311015E**

**Neena Ramgarhia  
Partner  
Mem. No.: 067157**

**Place:  
Date: July 4, 2022  
UDIN: 22067157AMFDYU8263**



## **ANNEXURE 1**

### **STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO FAMILY CARE HOSPITALS LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS**

#### **I. Under The Income-Tax Act, 1961 (hereinafter referred to as ‘the Act’)**

##### **1. Special tax benefits available to the Company under the Act**

There are no special tax benefits available to the Company.

##### **2. Special tax benefits available to the shareholders under the Act**

There are no special tax benefits available to the shareholders of the Company.

#### **Notes:**

- a. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- c. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2022-23.
- d. This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- f. 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.

## **ANNEXURE 2**

### **STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO FAMILY CARE HOSPITALS LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS**

#### **II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) (collectively referred to as “indirect tax”)**

##### **1. Special indirect tax benefits available to the Company under the Act**

There are no special indirect tax benefits available to the Company.

##### **2. Special indirect tax benefits available to the shareholders under the Act**

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the Shares of the Company.

#### **Notes:**

- a) The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b) The above statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefit under any other law.
- c) This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- d) 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.

## SECTION IV – ABOUT OUR COMPANY

### OUR INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, the Lead Manager or any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.*

*Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Letter of Offer, including the information in the sections "**Risk Factors**" and "**Restated Financial Statements**" beginning on pages 22 and 113 respectively. Accordingly, investment decisions should not be based on such information.*

#### INTRODUCTION

Healthcare has become one of India's largest sectors, both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well private players.

India's healthcare delivery system is categorized into two major components public and private. The government, i.e. public healthcare system, comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of primary healthcare centers (PHCs) in rural areas. The private sector provides majority of secondary, tertiary, and quaternary care institutions with major concentration in metros and tier-I and tier-II cities.

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost competitive compared to its peers in Asia and western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. The low cost of medical services has resulted in a rise in the country's medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

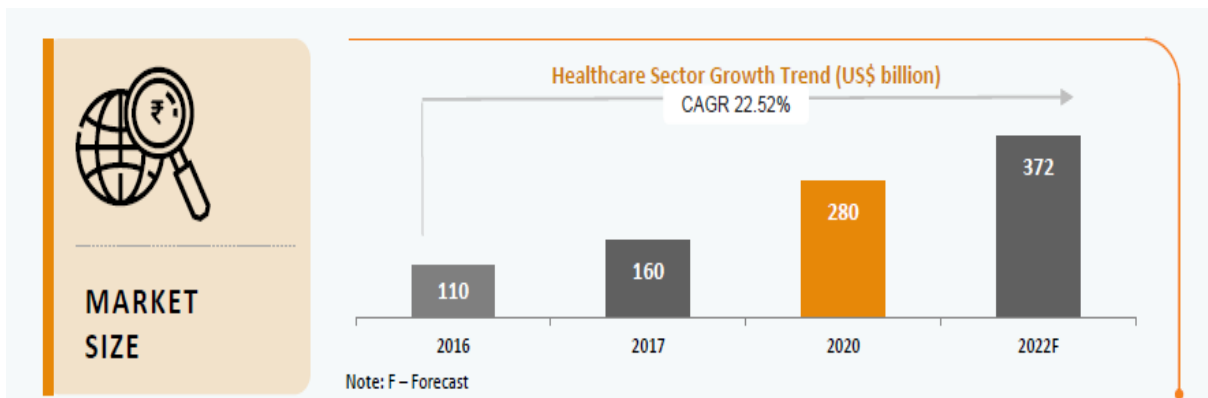
#### INDIAN HEALTHCARE SECTOR – MARKET SIZE

The industry is growing at a tremendous pace owing to its strengthening coverage, service and increasing expenditure by public as well private players.

The Indian healthcare sector is expected to record a three-fold rise, growing at a CAGR of 22% between 2016–22 to reach US\$ 372 billion in 2022 from US\$ 110 billion in 2016. By FY22, Indian healthcare infrastructure is expected to reach US\$ 349.1 billion.

In the Economic Survey of 2022, India's public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020-21 and 1.3% in 2019-20.

In FY22, premiums underwritten by health insurance companies grew to ₹ 73,582.13 crore (US\$ 9.21 billion). The health segment has a 33.33% share in the total gross written premiums earned in the country.

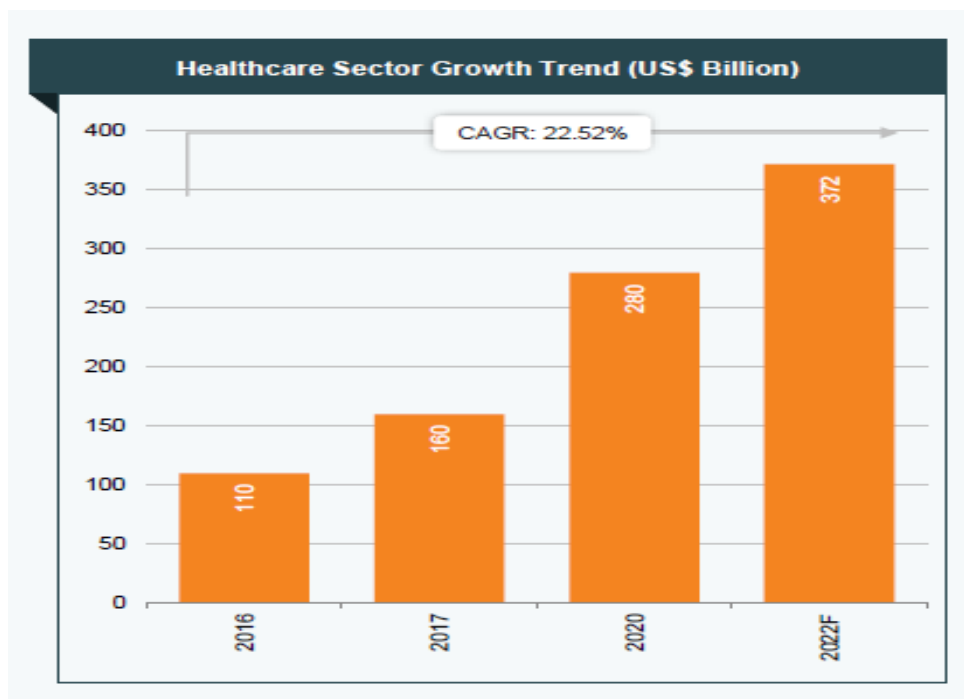


The Indian medical tourism market was valued at US\$ 2.89 billion in 2020 and is expected to reach US\$ 13.42 billion by 2026. According to India Tourism Statistics at a Glance 2020 report, close to 697,300 foreign tourists came for medical treatment in India in FY19. India has been ranked 10th in the Medical Tourism Index (MTI) for 2020-21 out of 46 destinations by the Medical Tourism Association.

The e-health market size is estimated to reach US\$ 10.6 billion by 2025.

As per information provided to the Lok Sabha by the Minister of Health & Family Welfare, Dr. Bharati Pravin Pawar, the doctor population ratio in the country is 1:854, assuming 80% availability of 12.68 lakh registered allopathic doctors and 5.65 lakh AYUSH doctors.

## GROWTH IN INDIAN HEALTHCARE SECTOR



### Fourth-Largest Employer

- India climbed to the 63rd rank among 190 countries in the World Bank's 'Ease of Doing Business' rankings in 2020.
- As of 2021, the Indian healthcare sector is one of India's largest employers as it employs a total of 4.7 million people. The sector has generated 2.7 million additional jobs in India between 2017-22 -- over 500,000 new jobs per year.

- The Asian Research and Training Institute for Skill Transfer (ARTIST) announced plans to create around one million skilled healthcare providers by 2022.

### **Impressive Growth Prospects**

- The Indian healthcare sector is expected to record a three-fold rise, growing at a CAGR of 22% between 2016–2022 to reach US\$ 372 billion in 2022 from US\$ 110 billion in 2016.
- As of August 23, 2022, more than 210.31 crore COVID-19 vaccine doses have been administered across the country.
- By FY22, Indian healthcare infrastructure is expected to reach US\$ 349.1 billion.

### **Strong Fundamentals and Cost Advantage**

- Rising income levels, an ageing population, growing health awareness and a changing attitude towards preventive healthcare is expected to boost healthcare services demand in the future.
- The low cost of medical services has resulted in a rise in the country’s medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

### **Favorable Investment Environment**

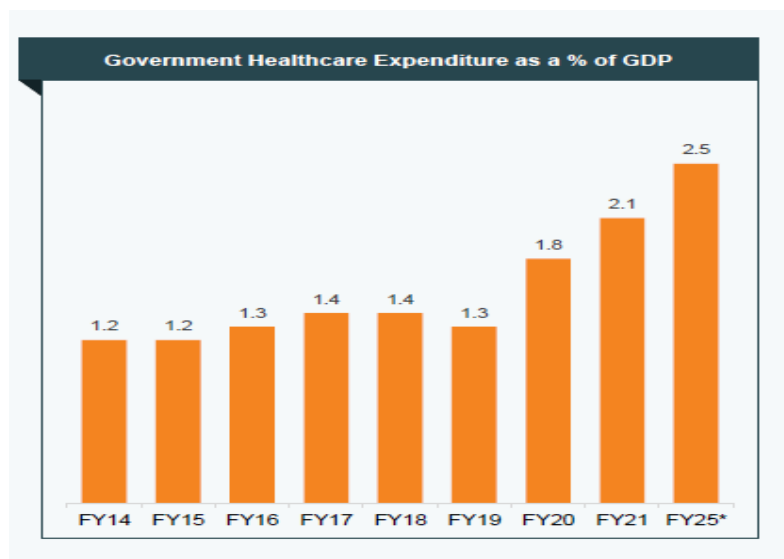
- Conducive policies for encouraging FDI, tax benefits, and favourable Government policies coupled with promising growth prospects have helped the industry attract private equity (PE), venture capitals (VCs) and foreign players.

## **OVERVIEW, EXPENDITURES AND KEY DRIVERS IN INDIAN HEALTHCARE SECTOR**

### **Function Segments of healthcare sector**

<b>HEALTHCARE</b>	<b>HOSPITALS</b>	Government hospitals – It includes healthcare centers, district hospitals and general hospitals.
		Private hospitals – It includes nursing homes and mid-tier and top-tier private hospitals.
	<b>PHARMACEUTICAL</b>	It includes manufacturing, extraction, processing, purification and packaging of chemical materials for use as medications for humans or animals
	<b>DIAGNOSTICS</b>	It comprises businesses and laboratories that offer analytical or diagnostic services, including body fluid analysis.
	<b>MEDICAL EQUIPMENT AND SUPPLIES</b>	It includes establishments primarily manufacturing medical equipment and supplies, e.g. surgical, dental, orthopaedic, ophthalmologic, laboratory instruments, etc.
	<b>MEDICAL INSURANCE</b>	It includes health insurance and medical reimbursement facility, covering an individual’s hospitalisation expenses incurred due to sickness.
	<b>TELEMEDICINE</b>	Telemedicine has enormous potential in meeting the challenges of healthcare delivery to rural and remote areas besides several other applications in education, training and management in health sector.

**Rise of Per capita healthcare expenditure at a fast pace**



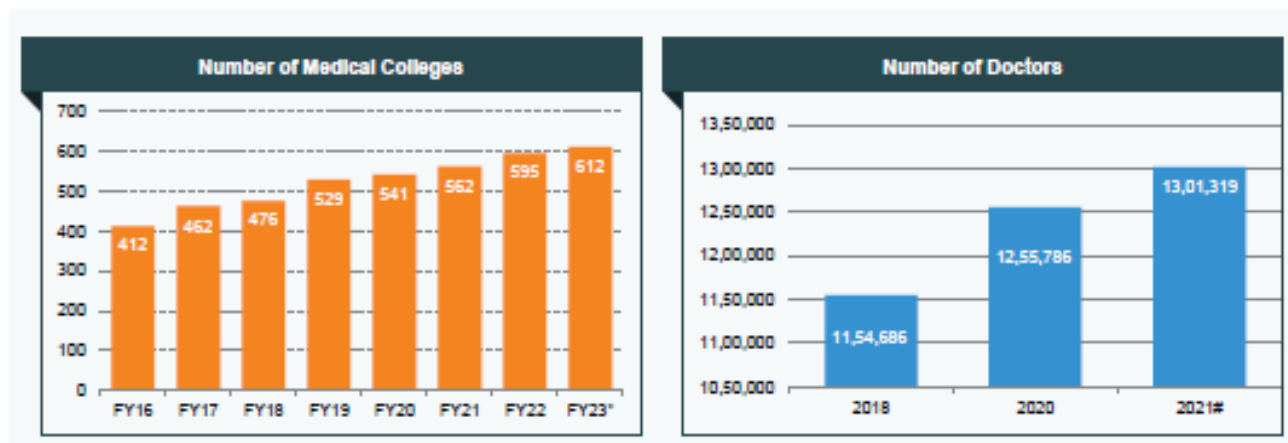
\* Forecast

Source: World Bank, Economic Survey FY20

**Reasons:**

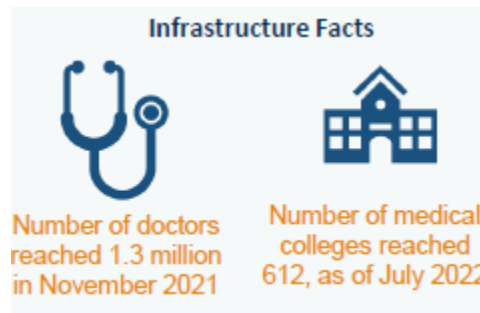
- This is due to rising income, easier access to high-quality healthcare facilities and greater awareness of personal health and hygiene.
- Greater penetration of health insurance aided the rise in healthcare spending, a trend likely to intensify in the coming decade.
- Economic prosperity is driving the improvement in affordability for generic drugs in the market.
- In the Economic Survey of 2022, India’s public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020-21 and 1.3% in 2019-20. The Government is planning to increase public health spending to 2.5% of the country's GDP by 2025.

**Rise of Healthcare infrastructure at a fast pace**



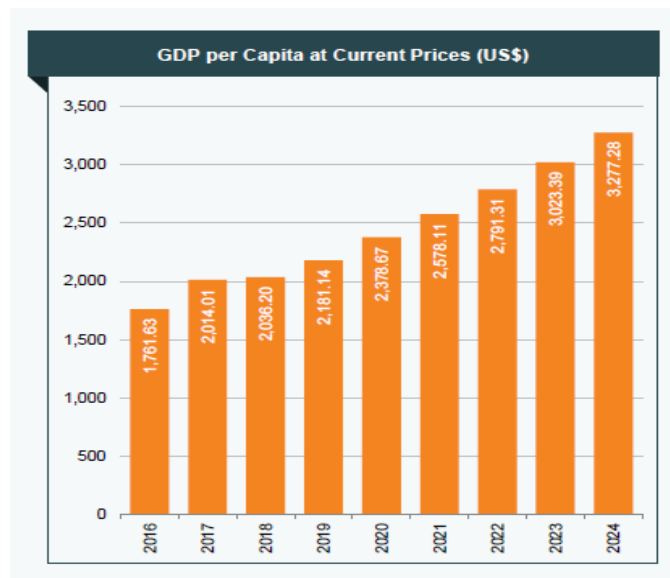
- India’s medical educational infrastructure has grown rapidly in the last few decades.
- By FY22, Indian healthcare infrastructure is expected to reach US\$ 349.1 billion.
- As of July 2022, the number medical colleges in India stood at 612.

- The number of allopathic doctors, with recognised medical qualifications (under the I.M.C Act), registered with state medical councils/national medical council increased to 1.3 million in November 2021, from 0.83 million in 2010.
- As per information provided to the Lok Sabha by the Minister of State for Health & Family Welfare, Dr. Bharati Pravin Pawar, the doctor population ratio in the country is 1:854, assuming 80% availability of 12.68 lakh registered allopathic doctors and 5.65 lakh AYUSH doctors.
- In September 2021, Union Minister for Road Transport & Highways Mr. Nitin Gadkari expressed that the country needs at least 600 medical colleges, 50 AIIMS-like institutions and 200 super-specialty hospitals. Also, he called for the need to replicate the infrastructure development sector's public-private partnership model in the healthcare sector.



**Rising income, ageing population to be key healthcare demand driver**

- Rising income means a steady growth in the ability to access healthcare and related services.
- Per capita GDP of India is expected to reach US\$ 3,277.28 in 2024 from US\$ 1,761.63 in 2016.



- Moreover, changing demographics will also contribute to greater healthcare spending. This is likely to continue as the size of elderly population is set to rise from the current 98.9 million to about 168 million by 2026.
- Per capita GDP at current prices for FY20 stood at US\$ 2,181.14.

**Medical tourism: a new growth factor for India's healthcare sector**

- Presence of world-class hospitals and skilled medical professionals has strengthened India's position as a preferred destination for medical tourism.
- Superior quality healthcare coupled with low treatment costs in comparison to other countries is benefitting Indian medical tourism, and in turn, has enhanced prospects for the Indian healthcare market.
- Treatment for major surgeries in India costs approximately 20% of that in developed countries.
- India also attracts medical tourists from developing nations due to lack of advanced medical facilities in many of these countries.
- Indian medical tourism market was valued at US\$ 2.89 billion in 2020 and is expected to reach US\$ 13.42 billion by 2026.
- India has been ranked 10<sup>th</sup> in the Medical Tourism Index (MTI) for 2020-21 out of 46 destinations by the Medical Tourism Association.
- The Government of India liberalised its policy by providing 100% FDI in the AYUSH sector for the wellness and medical tourism segment.
- By mid-2022, a new AIIMS in Rajkot covering ~201 acres of land are expected to be established at an estimated cost of ₹ 1,195 crores (US\$ 162.69 million). The facility will have a 30-bed AAYUSH block and a 750-bed hospital. It will also have 125 seats for MBBS and 60 seats for a nursing programme.
- The Ministry of Tourism has also published a draft of the 'National Strategy and Roadmap for Medical and Wellness Tourism', which aims at providing governance and developmental framework for medical and wellness tourism.

## KEY TRENDS IN INDIAN HEALTHCARE SECTOR

### Emergence of telemedicine

- Telemedicine is a fast-emerging sector in India. Virtual care - constituting teleconsult, telepathology, teleradiology and epharmacy—is experiencing a stimulus in India. Major hospitals (Apollo, AIIMS, Narayana Hrudayalaya) have adopted telemedicine services and entered into a number of PPPs.
- In September 2020, according to a study (survey of consumers, doctors and stakeholders from pharma companies and global EY research) by EY, in collaboration with the Indian Pharmaceutical Alliance, the domestic telemedicine market is expected to reach US\$ 5.5 billion by 2025.
- By March 25, 2022, the Health Ministry's eSanjeevani telemedicine service crossed 3 crore tele-consultations. Moreover, eSanjeevani telemedicine set a new record by completing over 1.7 lakhs consultations in a single day.

### Introduction of digital vaccine delivery platform

- In December 2020, a new COVID-19 vaccine delivery digital platform called 'CoWIN' was prepared to deliver vaccines. As a beneficiary management tool with different modules, this user-friendly mobile app for recording vaccine data is in the process of establishing the 'Healthcare Workers' database, which is in an advanced stage across all states/UTs.
- In July 2021, India made its Covid19 vaccination platform, CoWIN, open source for all countries. Almost 76 countries have displayed interest in leveraging the CoWIN platform to manage their national COVID-19 vaccination drives.

### Technological initiatives

- Digital Health Knowledge Resources, Electronic Medical Record, Mobile Healthcare, Electronic Health Record, Hospital Information System, PRACTO, Technology-enabled care, telemedicine and Hospital Management Information Systems are some of the technologies gaining wide acceptance in the sector.
- In June 2021, the Uttar Pradesh government announced the introduction of automatic medicine dispensing machines to expand the primary healthcare industry and clinical centres in the country. The state health department has been nominated to design an action plan and install 'Health ATMs' walk-in medical kiosks,



with combined medical devices for basic laboratory testing, emergency offerings, cardiology, neurology, pulmonary and gynaecology testing services that will be operated by a medical assistant in all 75 districts of Uttar Pradesh.

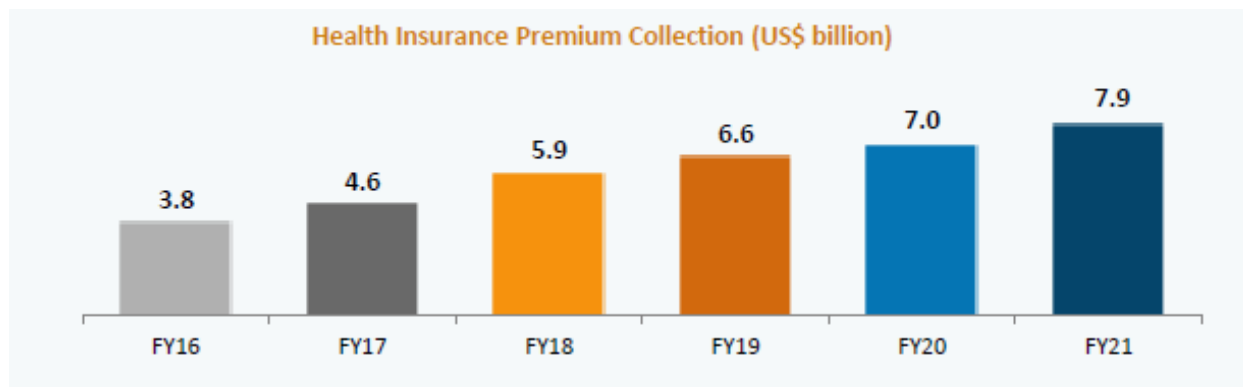
- In June 2021, AstraZeneca India signed a memorandum of understanding (MoU) with Docon Technologies, a Bengaluru-based health start-up, to digitise 1,000 clinics across India by implementing customised electronic medical record (EMR) systems in clinics to offer doctors access to a patient’s complete medical history.
- In December 2021, Eka Care became the first CoWIN-approved organization in India, through which users could book their vaccination slot, download their certificate and even create their Health IDs.

### **Rising adoption of artificial intelligence (AI)**

- Rising adoption of AI-based applications has enabled people to talk directly to doctors, physicians, and get expertise for the best treatment.
- It is also capable of solving problems of patients, doctors, and hospitals as well as the overall healthcare industry.
- In April 2021, Tata Trust’s initiative called India Health Fund (IHF) announced the onboarding of two AI start-ups—TrakItNow Technologies – an IoT and AI-based solution that is in development stage with immense potential to impact mosquito borne diseases, and Stellar Diagnostics.

### **Shift from communicable to lifestyle diseases**

- With increasing urbanisation and problems related to modern-day living in urban settings, currently about 50% of spending on in-patient beds is for lifestyle diseases – this has increased the demand for specialised care. In India, lifestyle diseases have replaced traditional health problems.
- Most lifestyle diseases are caused by high cholesterol, high blood pressure, obesity, poor diet and alcohol.



### **Increasing penetration of health insurance**

- In FY21, gross healthcare insurance stood at 29.5% of the overall gross direct premium income by non-life insurers segment.
- Health insurance is gaining momentum in India. Gross direct premium income underwritten by health insurance companies grew 13.3% YoY in FY 21 to ₹ 58,572.46 crore (US\$ 7.9 billion).
- In June 2021, the government announced that the ‘Pradhan Mantri Garib Kalyan Package (PMGKP) Insurance Scheme for Health Workers Fighting COVID-19’, which was launched in March 2020, has been extended for one more year. The insurance scheme provides comprehensive personal accident cover of ₹ 50 lakh (US\$ 68,189.65) to all healthcare providers, including community health workers and private health workers. It was drafted by the government for the care of COVID-19 patients and those who may

have come in direct contact with COVID-19 patients and were at risk of being infected by the virus. The scheme is being implemented through New India Assurance Company (NIACL).

## COVID-19 FIGHTBACK FROM THE INDIAN HEALTHCARE SECTOR



### ***COVID-19 Vaccination***

- As of August 23, 2022, more than 210.31 crore COVID-19 vaccine doses have been administered across the country.
- On September 17, 2021, India set a record with 2.5 crore COVID-19 jabs in one day.
- In March 2022, Hyderabad-based *pharmaceutical* company Biological E applied for emergency use authorization (EUA) for its Covid-19 vaccine Corbevax for the 5-12-year age group.
- In September 2021, Russian-made COVID-19 vaccine, Sputnik Light received permission for Phase 3 trials in India.
- In January 2022, Phase 3 trials commenced of India's first intranasal vaccine against COVID-19, that is being developed by Bharat Biotech in conjunction with Washington University School of Medicine in St Louis, the US.

### ***Export of the COVID-19 vaccine and drugs***

- India As of August 8, 2022, India has exported 24.24 crore vaccine doses.
- Minister of Health & Family Welfare, Chemicals and Fertilizers, Mr. Mansukh Mandaviya, stated that 96 countries have agreed to mutual recognition of COVID-19 vaccination certificates with India.

### ***Collaboration***

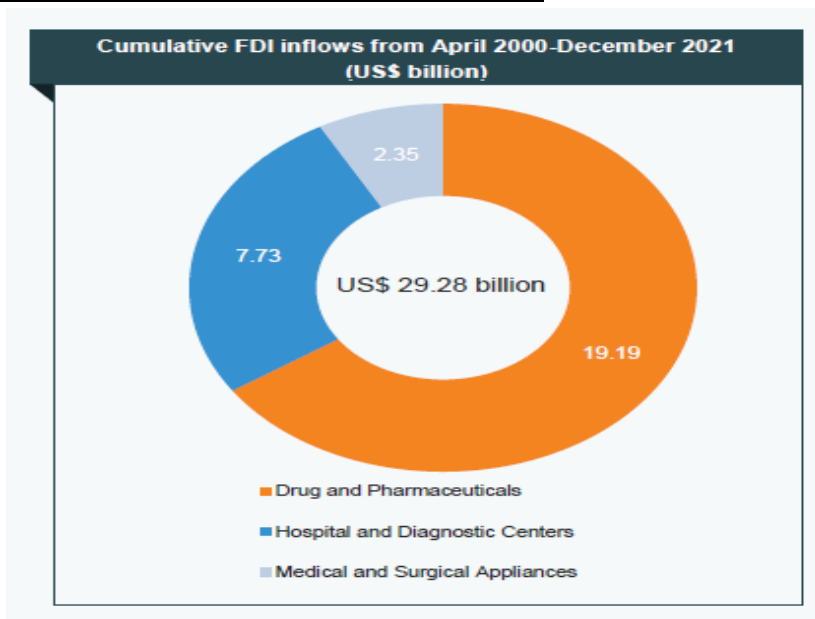
- In September 2021, Biocon Biologics Limited, a subsidiary of Biocon, announced a strategic alliance with Serum Institute Life Sciences, a subsidiary of Serum Institute of India (SII). The alliance is expected to strengthen India's position as a global vaccine and biologics manufacturing powerhouse.
- In September 2021, the Telangana government, in a joint initiative with the World Economic Forum, NITI Aayog and HealthNet Global (Apollo Hospitals) launched the 'Medicine from the Sky' project. The project will pave the way for drone delivery of life saving medicines and jabs in far-flung regions of the country. In September 2021, a memorandum of understanding (MoU) was signed between the Pharmacopoeia Commission for Indian Medicine & Homoeopathy (PCIM&H) and American Herbal Pharmacopoeia, the US, for strengthening the quality of Ayurvedic and other Indian traditional medicine products worldwide and enhancing their export potential, especially to the US market.

## INVESTMENTS, DEVELOPMENTS AND ADVANTAGES IN THE INDIAN HEALTHCARE SECTOR

Between April 2000-March 2022, FDI inflows for drugs and pharmaceuticals sector stood at US\$ 19.41 billion, according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT). FDI inflows in sectors such as hospitals and diagnostic centres and medical and surgical appliances stood at US\$ 7.93 billion and US\$ 2.41 billion, respectively. Some of the recent developments in the Indian healthcare industry are as follows:

- As of August 23, 2022, more than 210.31 crore COVID-19 vaccine doses have been administered across the country.
- As of August 8, 2022, India has exported 24.24 crore vaccine doses.
- In August 2022, Edelweiss General Insurance partnered with the Ministry of Health, Government of India, to help Indians generate their Ayushman Bharat Health Account (ABHA) number.
- The healthcare and pharmaceutical sector in India had M&A activity worth US\$ 4.32 billion in the first half of 2022.
- As of July 2022, the number medical colleges in India stood at 612.
- In July 2022, the Indian Council of Medical Research (ICMR) released standard treatment guidelines for 51 common illnesses across 11 specialties to assist doctors, particularly in rural regions, in diagnosing, treating, or referring patients in time for improved treatment outcomes.
- In July 2022, the National Pharmaceutical Pricing Authority (NPPA) fixed the retail prices for 84 drug formulations, including those used for the treatment of diabetes, headache, and high blood pressure.
- In March 2022, Hyderabad-based pharmaceutical company Biological E applied for emergency use authorisation (EUA) for its Covid-19 vaccine Corbevax for the 5-12 year age group.
- In January 2022, Phase 3 trials commenced of India's first intranasal vaccine against COVID-19 that is being developed by Bharat Biotech, in conjunction with the Washington University School of Medicine in St Louis, the US.
- Startup HealthifyMe, with a total user base of 30 million people, is adding half a million new users every month and crossed US\$ 40 million ARR in January 2022.
- The number of policies issued to women in FY21 stood at 93 lakh, with one out of every three life insurance policies in FY21 sold to a woman.
- In December 2021, Eka Care became the first CoWIN-approved organization in India, through which users could book their vaccination slot, download their certificate and even create their Health IDs.
- As of November 18, 2021, 80,136 Ayushman Bharat-Health and Wellness Centres (AB-HWCs) are operational in India.
- As of November 18, 2021, 638 e-Hospitals are established across India as part of the central government's 'Digital India' initiative.
- In November 2021, Aster DM Healthcare announced that it is planning ₹ 900 crore (US\$ 120.97 million) capital expenditure over the next three years to expand its presence in India, as it looks at increasing the share of revenue from the country to 40% of the total revenue by 2025.
- In September 2021, Russian-made COVID-19 vaccine, Sputnik Light received permission for Phase 3 trials in India.
- In September 2021, Biocon Biologics Limited, a subsidiary of Biocon, announced a strategic alliance with Serum Institute Life Sciences, a subsidiary of Serum Institute of India (SII). The alliance is expected to strengthen India's position as a global vaccine and biologics manufacturing powerhouse.

## Inflow of Foreign Direct Investment in Indian Healthcare Sector



- 100% FDI is allowed under the automatic route for greenfield projects.
- For brownfield project investments, up to 100% FDI is permitted under the government route.
- Demand growth, cost advantages and policy support have been instrumental in attracting FDI.
- Between April 2000-March 2022, FDI inflow for the drugs and pharmaceuticals sector stood at US\$ 19.41 billion.
- Inflows in sectors such as hospitals and diagnostic centres and medical and surgical appliances stood at US\$ 7.93 billion and US\$ 2.41 billion, respectively, between April 2000-March 2022.
- In November 2021, Aster DM Healthcare announced that it is planning ₹ 900 crore (US\$ 120.97 million) capital expenditure over the next three years to expand its presence in India, as it looks at increasing the share of revenue from the country to ~40% of the total revenue by 2025.

## Advantages in the Indian Healthcare Sector

### Strong demand

- Healthcare Rising income, greater health awareness, lifestyle diseases and increasing access to insurance will contribute to growth.
- The healthcare sector, as of 2021, is one of India's largest employers, employing a total of 4.7 million people.

### Rising Manpower

- Availability of a large pool of well-trained medical professionals in the country.
- The number of allopathic doctors with recognised medical qualifications registered with the state medical councils/national medical council increased to 1.27million in July 2021, from 0.83 million in 2010.

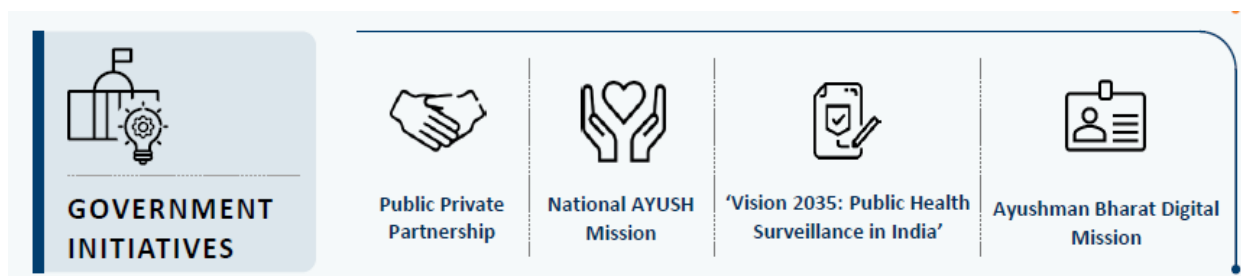
### Attractive opportunities

- The Government of India aims to increase healthcare spending to 3% of the Gross Domestic Product (GDP) by 2022.
- Two vaccines (Bharat Biotech's Covaxin and Oxford-AstraZeneca's Covishield manufactured by the Serum Institute of India) were instrumental in medically safeguarding the Indian population and those of 100+ countries against COVID-19.

### **Policy and Government Support**

- The Government aims to develop India as a global healthcare hub.
- Public health surveillance in India will further strengthen the health systems.
- In the Union Budget 2022-23, the government allocated ₹ 86,200.65 crore (US\$ 11.28 billion) to the Ministry of Health and Family Welfare (MoHFW).
- In March 2021, the Parliament passed the National Commission for Allied & Healthcare Professions Bill 2021, which aims to create a body that will regulate and maintain educational and service standards for healthcare professionals.

### **GOVERNMENT INITIATIVES**



### **Pradhan Mantri Jan Arogya Yojana (PMJAY)**

- The government announced ₹ 64,180 crores (US\$ 8.80 billion) outlay for the healthcare sector over six years in the Union Budget 2021-22 to strengthen the existing 'National Health Mission' by developing capacities of primary, secondary and tertiary care, healthcare systems and institutions for detection and cure of new & emerging diseases.

### **Tax incentives**

- All healthcare education and training services are exempted from service tax.
- Increase in tax holiday under section 80-IB for private healthcare providers in non-metros for minimum of 50 bedded hospitals.
- 250% deduction for approved expenditure incurred on operating technology enables healthcare services such as tele medicine, remote radiology.
- Artificial heart is exempted from basic custom duty of 5%.
- Income tax exemption for 15 years for domestically manufactured medical technology products.
- The benefit of section 80-IB has been extended to new hospitals with 100 beds or more that are set up in rural areas. Such hospitals are entitled to 100% deduction on profits for 5 years.

### **National Nutrition Mission**

- The Union Cabinet approved setting up of the National Nutrition Mission (NNM) to monitor, supervise, fix targets and guide the nutrition related interventions across ministries.
- The programme is planning to reduce the level of stunting by 2%, under-nutrition 2%, anaemia by 3% and low birth babies by 2% every year.
- Over 100 million people are expected to be benefited by this programme – all states and districts will be covered within the programme.
- In the Union Budget 2021-22, the government announced its plans to launch 'Mission Poshan 2.0' to merge 'Supplementary Nutrition Programme' with 'Poshan Abhiyan' (Nutrition Mission) in order to improve nutritional outcomes across 112 aspirational districts.

### **Liberalised Pricing & Accelerated National COVID-19 Vaccination Strategy**

- The Liberalised Pricing & Accelerated National COVID-19 Vaccination Strategy was implemented on May 01, 2021. As part of the strategy, every month, 50% of the total vaccine doses that have been cleared by the Central Drugs Laboratory (CDL) will be procured by the Government of India (GOI), which will provide those vaccines to the State Governments at no cost. In addition, the remaining 50% of the vaccine doses will be available for direct procurement by the State Governments and private hospitals.

### **National Health Mission (NHM)**

- The Government of India approved continuation of 'National Health Mission' with a budget of ₹ 37,000 crore (US\$ 4.85 billion) under the Union Budget 2022-23.

### **Tele-medicine initiatives**

- State Telemedicine Network (STN): The states and union territories have been provided support under the National Health Mission (NHM) under Program Implementation Plan (PIP) to create a reliable, ubiquitous and high speed network backbone.
- In May 2021, Defence Minister Mr. Rajnath Singh launched 'Services e-Health Assistance & Tele-consultation (SeHAT)' OPD portal to provide telemedicine services to armed forces personnel and veterans.
- The Ministry of Health and Family Welfare's eSanjeevani telemedicine consultation service crossed 3 crore tele-consultations as on March 25, 2022.

### **Bilateral ties**

- In September 2021, the 4th Indo-US Health Dialogue was hosted by India. The two-day dialogue leveraged as a platform to deliberate upon multiple ongoing collaborations in the health sector between the two countries.
- In September 2021, the All India Institute of Ayurveda, under the Ministry of AYUSH, signed a MoU in coordination with NICM Western Sydney University Australia to appoint an Academic Chair in Ayurveda. The new Academic Chair will undertake academic and collaborative research activities in Ayurveda, including herbal medicine and yoga, and design academic standards and short-term/medium-term courses and educational guidelines.

### **Union Budget 2022-23**

- Under the Union Budget 2022-23, the Ministry of Health and Family Welfare has been allocated ₹ 86,200 crore (US\$ 11.29 billion), an increase of 16.5% compared to ₹ 73,932 crore (US\$ 9.69 billion) in 2020-21.
- Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was allocated ₹ 10,000 crore (US\$ 1.31 billion)
- Human Resources for Health and Medical Education was allotted ₹ 7,500 crore (US\$ 982.91 million).
- National Health Mission was allotted ₹ 37,000 crore (US\$ 4.84 billion).
- Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allotted ₹ 6,412 crore (US\$ 840.32 million).

### **Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)**

- In Union Budget 2022-23, ₹ 10,000 crore (US\$ 1.31 billion) was allocated to the scheme.
- The Government of India will use this money to boost the medical education infrastructure of the country and set up AIIMS across the country.

### **PM Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)**

- In the Union Budget 2022-23, ₹ 5,156 crore (US\$ 675.72 million) was allocated to the newly announced PM-ABHIM to strengthen India's health infrastructure and improve the country's primary, secondary and tertiary care services.

### **Ayushman Bharat**

- Ayushman Bharat scheme was launched to ensure universal health coverage and provide financial risk protection, assuring quality and affordable essential health services to all individuals.
- As of November 18, 2021, 80,136 Ayushman Bharat-Health and Wellness Centres (AB-HWCs) are operational in India.
- In August 2022, Edelweiss General Insurance partnered with the Ministry of Health, Government of India to help Indians generate their Ayushman Bharat Health Account (ABHA) number.
- In July 2022, the World Bank approved a US\$ 1 billion loan towards India's Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission.
- September 2021, Prime Minister Mr. Narendra Modi launched the Ayushman Bharat Digital Mission. The mission will connect the digital health solutions of hospitals across the country with each other. Under this, every citizen will now get a digital health ID and their health record will be digitally protected.
- In February 2021, Prime Minister Mr. Narendra Modi laid the foundation stones for two hospitals and launched 'Asom Mala', a programme for state highways and major district roads, in Assam. He stated that 1.25 crore people in the state are being benefitted from the Ayushman Bharat Scheme.

### **National Digital Health Mission (NDHM)**

- On August 15, 2020, Prime Minister Mr. Narendra Modi launched the National Digital Health Mission (NDHM) programme, which was developed to provide the necessary support system for integrated digital health infrastructure of the country.
- As of May 2021, 11.9 lakh Health IDs have been generated and 3,106 doctors and 1,490 facilities have registered on the platform.

## **ROAD AHEAD**

India's healthcare sector is extremely diversified and is full of opportunities in every segment, which includes providers, payers, and medical technology. With the increase in the competition, businesses are looking to explore the latest dynamics and trends which will have a positive impact on their business. The hospital industry in India is forecast to increase to ₹ 8.6 trillion (US\$ 132.84 billion) by FY22 from ₹ 4 trillion (US\$ 61.79 billion) in FY17 at a CAGR of 16–17%.

India is a land full of opportunities for players in the medical devices industry. The country has also become one of the leading destinations for high-end diagnostic services with tremendous capital investment for advanced diagnostic facilities, thus catering to a greater proportion of the population. Besides, Indian medical service consumers have become more conscious towards their healthcare upkeep. Rising income levels, an ageing population, growing health awareness and a changing attitude towards preventive healthcare is expected to boost healthcare services demand in the future. Greater penetration of health insurance aided the rise in healthcare spending, a trend likely to intensify in the coming decade.

The Government aims to develop India as a global healthcare hub, and is planning to increase public health spending to 2.5% of the country's GDP by 2025.

(Source: [www.ibef.org](http://www.ibef.org))



## OUR BUSINESS

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Letter of Offer, including the information contained in the section titled “Risk Factors”, beginning on page no. 22 of this Draft Letter of Offer.*

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled “Risk Factors” and the sections titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on pages 22, 113 and 150 of this Draft Letter of Offer.*

*Unless the context otherwise requires, in relation to business operations, in this section of this Draft Letter of Offer, all references to “we”, “us”, “our”, “our Company” or “Scandent” and “Family Care Hospitals” are to “Family Care Hospitals Limited”*

### OVERVIEW

#### Company Background

Our Company was originally incorporated as “Pharma Offset Limited”, a public limited company under the provision of the Companies Act, 1956 vide certificate of incorporation dated September 5, 1994. Subsequently, the name of our Company was changed to “Pharma Com (India) Limited”. The name of our Company was further changed to “Count N Denier (India) Limited” on March 27, 2012 vide a fresh certificate of incorporation pursuant upon change of name issued by the Register of Companies, Mumbai. Pursuant to acquisition of the majority equity shares and control by the existing promoter, the name of our Company was changed to “Scandent Imaging Limited” on March 17, 2015 vide a fresh certificate of incorporation pursuant upon change of name issued by the Deputy Register of Companies, Mumbai. Further the name of our Company was changed to its present name “Family Care Hospitals Limited” vide a fresh certificate of incorporation dated September 5, 2022, issued by the Register of Companies, Mumbai.

For further details, please see the sections titled “Restated Financial Statements”, “Our Promoter” and “Our Management” beginning on pages 113, 111 and 102 of this Draft Letter of Offer.

Our Company is currently operating a hospital under the name of “Family Care Hospitals” at Mira Road East, Thane, Maharashtra and is also operating 9 (Nine) imaging centres across the Mumbai Metropolitan region. These imaging centers provide scanning solutions to ENT and Dental healthcare professionals with information to help them establish or support diagnoses and prescribe medication and treatment for patient care. We believe we offer a broad spectrum of healthcare services and wellness packages to our patients as per their requirements. We strive to provide quality service to all patients, and we believe we have scope for serving additional patients and improve occupancy rates at our existing hospital. For convenience of our patients, we provide value-added services such as home collection of specimens, house calls and various other service delivery or access modes (i.e., at diagnostic centers, SMS, email, web and mobile portal) for tests and thereafter access for reports. Several factors, including the strength of our Company’s integrated services model, our pre-packaged diagnostic products, social service camps, appropriate use of media and other channels, center’s quality infrastructure and focus on customer experience, convenience of our operations and consultant networks and home collection of samples, delivery of medicines at home in our core geographies, helps us in increasing and retaining our patients.

#### ***Our Company primarily operates in four principal business verticals:***

Our Company operates in a single business segment viz. Healthcare services. Our Healthcare services operates under 4 different sub-verticals: (i) Hospitals; (ii) Pharmacy; (iii) Imaging centers and (iv) New Generation Healthcare & Support Services. We focus to work and establish a credible brand for our service offerings in the Mumbai Metropolitan Region (MMR).



## 1. Hospitals

Our Company operates a 100 bed multi-specialty hospital at Mira Road, Thane, Maharashtra, India (“Family Care Hospitals”). Our hospital is an accredited NABH quality certificate facility spread over 21,000 square feet with facility in terms of service support infrastructure like operations theatres, intensive care units, specialized care units, cath lab, radiology, pharmacy, pathology emergency care, outpatient consultation and in-patient stay facilities and other response and delivery support with management services.

As on September 30, 2022, our hospital is associated with over 60 experienced consultants and doctors across various disciplines. We believe our dedicated team is trained to take care of the patients and handle all kinds of emergencies. Our healthcare staff members comprise of medical director, consultants, doctors, pathologists, clinical pharmacist, medical officers, clinical assistants, infection control personnel, nursing personnel, attendants, technicians, paramedical, dietician/ nutritionist, biomedical personnel and support staff for administration, human resources, finance, purchase, sales, quality, insurance and government schemes support and advisory. We believe that a strong doctor pool with varied expertise of paramedical staff ensures seamless healthcare delivery across our hospital requirements. We believe that the support by experienced consultants and veteran physicians has resulted in a high degree of patient satisfaction and patient care outcomes.

As on this Draft Letter of Offer, our services offered to our patients includes, out-patient, in-patient, day-care, medical management, diagnostics, doctor consultations, emergency care and support, surgical support and cardiac care, radiology, pathology, pharmacy, casualty and ambulance services. Our hospital has tie ups with several insurance companies, third party administrators (TPA) of health insurance companies and government healthcare programs like Mahatma Jyotiba Phule Jan Arogya Yojana (MJPJAY) and Ayushman Bharat Pradhan Mantri Jan Arogya Yojana.

Our hospital is equipped with tests ranging from basic biochemistry, histopathology and clinical pathology to radiology tests ranging from basic echocardiograms, X-Rays and ultrasounds. These tests services are offered to in-patients and out-patients. Certain selective tests get sub-sourced to ensure seamless and integrated patient care at the hospital. Many healthcare packages are also offered independently to external customers as a service with specific value propositions like option of home collections of samples. We continue to invest in improving our technological capabilities, training of our doctors and other professionals, increasing day-to-day operational efficiencies, and finding new ways to engage and retain patients. We are committed to delivering quality healthcare services to our patients in modern facilities using advanced technology and our experienced teams of doctors, nurses and other consultants.

Our Hospital has adopted the Standard Operating Procedures (SOPs) given by National Accreditation Board for Hospitals & Healthcare Service Providers (NABH). Under the said SOPs every work function of our hospital is defined, every process is written down and every employee is trained in his/her duties as soon as he/she joins. Every equipment is maintained as per a predefined schedule.

As on September 30, 2022, our hospitals have treated to over 30,000 patients on a cumulative basis across OPD consultations, medical camps, social events, surgeries, consultations, vaccination drives and medical management and other cases.

Our Company has entered into an “operation cum management” contract with the owner of the hospital for a period of 9 (Nine) years with effect from January 18, 2018 to January 17, 2027 on revenue share basis.

Business for this vertical is solicited through various mediums like health camps, corporate and social events, mobile applications and hospital website. These activities come as an integral part of the hospital business.

Our Company has an IT system both for clinical purposes as well as integrating systems and processes through HMS (Hospital Management System) which includes central registration module, appointment, barcode generation, case paper generation, OPD billing, procedure billing, IPD registration, advance & refund, due billing, TPA/package billing, user management, doctor sharing, software security, management reports, discharge summary towards streamlining our clinical and administrative functions. We have adopted

technology with a view to ensure quick transmission of disease data, subsequent analysis and prompt disease management.

Competition for this segment emerges from existing and upcoming hospitals both small or large and independent diagnostics and pathology centers. Gaining patient service loyalty by repeat access to our hospital services remains a key priority for the hospital business.

## **2. Pharmacy**

Family Care Hospitals, has an in-house pharmacy (“Family Care”) to cater to the needs of our customers. Further, the 24X7 pharmacy is also equipped to source and supply varied types of consumables and implants necessary for servicing the OPD and IPD segments. The pharmacy is also seamlessly integrated with our mobile application ‘Family Care’ to facilitate our customers across the Mumbai Metropolitan Region with order sourcing and delivery of medicines. Presently most of the business is captive in nature deriving from the hospital patient flow and this vertical acts as the second core pillar for our hospital business. This segment faces competition mostly from local independent stand alone and branded pharmacy chains for the offline business and e-pharmacy companies.

## **3. Imaging Centers (Dental and ENT 2D-3D Scan segment)**

We provide Dental and ENT radiology services from our nine centers spread across Mumbai under the name of ‘Scandent’. The competition for this segment is from integrated hospitals with dental and ENT care facilities and other similar independent diagnostic setups in nearby areas.

## **4. New Generation Healthcare and Support Services**

Our Company through its mobile application ‘Family Care’, website and tele based communication channels provide range of healthcare services in the Mumbai Metropolitan Region which includes;

- Tele/ Video Consultations
- E-Pharmacy
- E-Pathology
- Home care (nursing support and doctor visits).

We face competition in this segment from both existing offline and local service providers as well as new generation med-tech and healthcare companies. All the services are rendered under the name of ‘Family Care’. All the segments are at different stages of development, service delivery and go-to-market readiness levels, with some being operational and beta testing levels.

## **COVID- 19**

Our Company during the Covid-19 pandemic decided to step-up its support in the fight against COVID-19 and was a designated COVID- 19 treatment hospital (DCHC- Dedicated Covid Healthcare Centre). With the support of our doctors and staff, we have treated to over 2,000 COVID- 19 patients from the beginning of the pandemic. Our Company had closely coordinated with the local authorities to provides services as were directed by the national and state governments and was amongst the first private hospitals in Mira Road to offer these services.

During this period, our Company has introduced special Covid Care products and services on our mobile application (Family Care Hospitals) which provides various healthcare related services to support patients.

## **LOCATIONAL PRESENCE**

*Our Company’s locations for the Head Office, Hospital and Imaging centers are as below:*

**Registered and Corporate office:** A-357, Road No.26, Wagle Industrial Estate, MIDC, Thane (West) - 400604, Maharashtra, India.

**Family Care Hospitals:** Family Care Hospitals, Seven Eleven Building, P. K. Road, Opp. Seven Square Academy, Mira Road (East), Thane - 401107, Maharashtra, India.

**Scandent:** Imaging centers are located across 9 locations in Mumbai, Maharashtra. For further details please see “*Our Properties*” on page 99 of this Draft Letter of Offer.

## FINANCIAL SNAPSHOT

### Financial Performance of our Company

(₹ In Lakhs)

Particulars	For the period ended June 30, 2022 <sup>^</sup>	F.Y. 2021-22*	F.Y. 2020-21*	F.Y. 2019-20*
Revenue from Operations	1124.35	4206.52	3535.50	1324.60
EBITDA	224.44	892.74	785.28	214.35
Profit After Tax	130.25	516.76	405.99	3.79

<sup>^</sup>As per Limited review financial results submitted to the Stock Exchange.

\*As per the Restated Financial Statements.

## INSIGHTS OF THE FAMILY CARE HOSPITALS, MIRA ROAD

### Floor Directory

Floors	Description
Ground	Front Office- Emergency, Registration and Admission Desk, Back Office- PR Office, IP Billing, Credit Patient Dept., Consulting Rooms, Radiology, Casualty, Canteen, Utilities, Parking, Pharmacy, Ambulance Parking, Stores, Oxygen and Central AC Utilities, Generator Shed.
First	Gynae Operation Theatre, Labour Room, Human Resources, Marketing and Quality Control Room, Pathology, Dental, Ophthalmology, Sonography, Dialysis Room, Cath Lab, Cardiac Recovery Room, Physiotherapy Room, A/C Economy and General Wards, Triple Sharing and Double Sharing Rooms, Utility Services.
Second	2 Modular Operation Theatres with Laminar Flow AC, ICU, SICU, Deluxe Rooms, Dialysis Centre, NICU, HDU, Medical Records Room, Visitor Room

### Types of Room

1. Deluxe Room
2. Twin Sharing Room
3. Triple Sharing Room
4. AC Economy Ward Room
5. General Ward Room
6. Dialysis Ward Room
7. ICU/ NICU/ SICU/ HDU/ Gynae Care Ward Rooms

### Numbers of Beds in the wards/ rooms

Type of Wards	Number of Bed(s) in each ward
Emergency Ward	2
1 <sup>st</sup> Floor Rooms	7
1 <sup>st</sup> Floor General Ward	25
2 <sup>nd</sup> Floor Rooms	7
Cardiac ICU	10

Surgical ICU	10
Medical ICU	5
Neonatal ICU	5
Operation Theatre	4
C.T.O.T	1
Cath Lab	3
Dialysis	6
OT Pre/Post Area	12
Others	3

## SCOPE OF SERVICES

The following services to all irrespective of caste, creed or economic status:

1. Imaging Centers - 2D,3D - Dental and ENT Scans with Reports
2. Multi-Specialty Hospital Services with incidental support:
  - i. Key sub-heads include:
    1. Out Patient Services (OPD)
    2. In-Patient Services (IPD)
    3. Day Care Services
    4. Dialysis Centre
    5. Emergency / Critical Care Services (Casualty, ICU, NICU)
    6. Interventional Radiology
    7. Surgical Services and Support
    8. Medical Management
    9. Pathology
    10. Diagnostics
    11. Pharmacy
  - ii. Key departments providing patient care services (medical) include:
    1. Accident and Emergency
    2. Bariatric Surgery
    3. Cardiology
    4. Cosmetic and Plastic Surgery
    5. Critical Care
    6. Dermatology
    7. ENT
    8. Endoscopy
    9. Gastroenterology
    10. General Surgery
    11. Haematology
    12. Internal Medicine
    13. Obstetrics and Gynaecology
    14. Oncology
    15. Ophthalmology
    16. Orthopaedics
    17. Paediatrics
    18. Physiotherapy
    19. Psychiatry

20. Pulmonology and Respiratory Diseases
  21. Infectious Diseases
  22. Nephrology
  23. Neurology
  24. Nutrition and Dietology
  25. Urology
  26. Vascular Surgery
- iii. Key support services for patient (Onsite/ Offsite/ Tech/ Tele Support Based) include:
1. Tele/ Video Doctor Consulting
  2. E-Pharmacy
  3. E-Surgery
  4. E-Pathology
  5. E-Surgery Support
  6. Healthcare Packages and Investigations
  7. Pharmacy
  8. Radiology
  9. Diagnostics
  10. Counselling
  11. Home Nursing
  12. Geriatric Care
3. General support services in hospital for patients:
1. Administration and Care Support
  2. Ambulance
  3. Billing and Cash Payment Services
  4. Out Patient Care
  5. In-Patient Care
  6. Pathology
  7. Pharmacy
  8. Radiology
  9. Counselling – Front Desk- Billing, Medical, Patient, General and Legal
  10. Mediclaim Insurance & TPA Assist
  11. Medical Records
  12. MJPJAY Assist Support
  13. Ayushman Bharat Pradhan Mantri Jan Arogya Yojana
4. Own hospital management and support services
  5. Own pharmacy management and support services
  6. Own/ third party pathology / joint management and support services
  7. Own/ third party / joint - medical/ educational/ social service camps and support

Our Company has also offered a price centric membership program for Mumbai suburban and metropolitan region patients. The aim of the plans is to ensure that the most elementary of healthcare services is offered to patients at competitive price points, ensuring quality and affordable care for all.

## OUR FACILITIES AND SERVICES

### 1. *Bariatric*

Our Bariatric surgery department has a host of facilities to deal with overweight and obesity, leading to several other equally harmful sub-problems.

#### **Types of Surgeries provided:**

##### **Bariatric**

- Gynecomastia
- Laparoscopic adjustable gastric banding
- Laparoscopic sleeve gastrectomy
- Laparoscopic roux-en-y gastric bypass
- Laparoscopic mini gastric bypass
- Laparoscopic gastric plication
- Laparoscopic adjustable gastric banded plication
- SILS surgery
- Revisional surgery

### 2. *Cardiology*

Heart Care is a complex field that requires a range of preventive care, screening, advanced diagnostic tests, invasive and non-invasive procedures, postoperative management, cardiac rehabilitation, and a full range of surgical programmes.

Our heart center at Family Care Hospitals is a committed center offering comprehensive cardiac care to patients with cardiovascular diseases such as angina, coronary artery disease, valvular heart disease, rhythm disorder, congenital cardiac disease and heart failure. Our cardiac team is strengthened by an accomplished full time and visiting team of cardiologists and cardiac surgeons.

Our heart center is equipped with 1 Cardiothoracic Operation Theatres, 1 Cardiac Catheterization Lab and a Cardiac Ambulance that delivers hi-end clinical care. Our emergency heartline is open 24x7 for any type of cardiac emergency.

#### **Services:**

##### **Non-Interventional Cardiology Procedures**

- 2-D Echo & TMT

##### **Interventional Cardiology Procedures**

- Coronary angiography (CAG)
- Coronary angioplasty (PTCA)
- Complex coronary interventions including acute MI
- Peripheral angiography
- Peripheral angioplasty
- Balloon mitral valvuloplasty (BMV)
- Pacemaker implantation single & dual chamber
- Devise closure (ASD,VSD)
- Cardiac Surgery
- Coronary artery bypass grafting (CABG)
- Majorly done off pump or beating heart surgery
- Valve replacement -AVR, MVR & DVR
- ASD & VSD closures
- Vascular surgery (Varicose Veins)

### **3. Dermatology**

The dermatology department provides all-inclusive diagnostics and treatments for healthy skincare with a wide variety of services in medical, pediatric, surgical and cosmetic dermatology.

#### **Medical Procedures:**

- Abdominal ultrasound scan test
- Active surveillance for cancer
- Biophysical profile
- Blood pressure test
- Bone density test
- Bone marrow biopsy and aspiration
- Stress Tests
- Echocardiology
- Pulmonary Function Tests
- Biopsy

### **4. Diabetology**

The department of diabetology at Family Care Hospitals offers comprehensive services in diagnosis, treatment and management of all related disorders.

The department offers a broad range of services for the management of diabetes. Various programs are frequently conducted within the department for physicians and patients to increase the awareness about Diabetology.

#### **Services:**

- Diabetology consultation for out-patients and in-patients
- Screening to rule out diabetes
- Diabetes & obesity health check-up
- Management of type 2 diabetes mellitus
- Management of type 1 or insulin dependent diabetes mellitus
- Management of gestational diabetes mellitus
- Management of syndrome and secondary diabetes
- Prevention of diabetic complications
- Diabetic Diet and nutrition counseling
- Diabetic foot care with podiatric consultancy

### **5. Ear, Nose and Throat Specialist (“ENT”)**

The Department is equipped with modern and latest technology to treat patients with all types of complex and simple problems of Ear, Nose, and Throat.

The Team performs basic and advanced endoscopic sinus surgeries, micro ear/micro laryngeal surgeries, esophageal endoscopes, and surgery for deafness.

#### **Services provided:**

##### **Ears**

- Ear discharge
- Ear Ache
- Giddiness (vertigo)
- Deafness – both from birth and acquired later
- Cochlear Implant
- Tumors etc.

##### **Nose**

- Nose blockage
- Rhinoplasty for Nose deformities
- Nose fractures
- Recurrent Cold / Sinus
- Nasal polyps / Tumors etc.
- Allergic cold: Sneezing, itchy nose
- Headache
- Epistaxis
- Stuffiness and post nasal drip of phlegm etc.
- Head injuries causing cuff discharge through nose, Optic nerve injury.

### **Throat and Neck**

- Tonsillitis
- Adnoids causing Mouth breathing / Snoring
- Snoring / Sleep Apnea
- Voice disorders
- Vocal Cord paralysis
- Swallowing disorders
- Laryngotracheal injuries
- Salivary gland tumors

## **6. Gastroenterology**

The department for Gastrointestinal (GI) diseases at Family Care Hospitals provides patients with advanced level of medical and surgical care, primarily focused on safe and proven treatment of disorders related to the gastrointestinal tract.

Services of Gastroenterology care also include technology and instruments to perform minimal access (Laparoscopic) surgery.

### **Services provided:**

#### **Surgical Gastroenterology**

- Appendicitis treatment
- Bariatric gastric banding surgery
- Gall bladder surgery
- Laparoscopic surgery
- Diagnosis and management of gastric, hepatic, pancreatic and intestinal diseases and malignancies

#### **Medical Gastroenterology**

- Diagnostic Upper GI endoscopy
- Therapeutic upper GI endoscopy procedures like biopsy, variceal band ligation
- Liver cirrhosis treatment
- Bleeding peptic ulcer therapy
- Peptic stricture and achalasia
- Foreign body removal
- PEG tube insertion

## **7. General-Laparoscopy Surgeries**

The Department of general surgery provides surgical interventions that focus on the endocrine system, gastrointestinal tract, liver, colon and other major parts of the human body. Some of the common procedures include appendix, gallbladder removals, colonoscopies, thyroidectomies, hernia and bariatric surgeries. The department also offers patients suffering from diseases involving skin, soft-tissue, breast, hernia, and trauma.



The general surgery team has its expertise in providing complete patient safety and satisfaction by using all the latest diagnosing and surgical techniques.

**Services provided:**

- Laparoscopic surgery
- Complex and complicated general surgical cases
- Trauma cases
- Breast surgery
- Colorectal surgery
- Diabetic footcare

**8. Haematology**

The department of Hematology at Family Care Hospitals provides comprehensive services, inpatient, and laboratory, blood bank & bone marrow transplantation. The team has qualified doctors, including Clinical hematologist specializing in hematology, hamate-oncology, and bone marrow transplantation, leading the clinical services (adult & pediatric) services. We also have all imaging (scans) modalities for better evaluation of these patients.

**Services provided:**

- Weakness/loss of energy (Anemia)
- Bleeding/purpura (Thrombocytopenia)
- Repeated infections/boils (Neutropenia)
- Pancytopenia (combination of above) in aplastic anemia, Leukemia.
- Swollen leg (Deep Venous Thrombosis - DVT)
- Weight loss/ loss of appetite (Blood cancer, Leukemia)
- Bone pain/ bone fracture (Multiple Myeloma)
- Lymphadenopathy (Lymphoma,/ Hodgkin's Lymphoma)
- Splenomegaly (CML, Lymphoma, Myelofibrosis, infections, fever)
- Joint bleeding/ rare site of bleeding (Hemophilia)
- Excessive menstrual bleeding (No obvious Gynaec. cause)
- Increased hemoglobin (Polycythaemia)
- Excessive platelet count (Thrombocytosis)
- Excessive WBC count (Chronic Leukemia like CLL)
- Excessive eosinophil count (Eosinophilia)
- Warfarin monitoring with INR & advice on thrombophilia screening.
- Pyrexia of unknown origin (fever for 1-2 weeks and not responding)
- Thalassemia/sickle cell anemia.
- Blood Transfusion problems
- Pregnancy-related hematology problem/DIC.

**9. Internal Medicine**

The Internal Medicine department is well equipped to manage acute and chronic health conditions such as diabetes and coronary disease, acute illness like respiratory tract infections and joint pains.

Our healthcare team is comprised of board-certified physicians of internal medicine, geriatrics and pediatrics, nurses and medical assistants. The team works in collaboration with the other specialty divisions for a complete evaluation of the patient's condition and perform complex procedures.

**Services provided:**

- Hypertension
- Diabetes
- Thyroid Disorders
- Ischaemic Heart Disease

- Chronic Kidney Disease
- COPD & Asthma Management
- 2D Echo & TMT (Stress Test)

## 10. *Neuro Surgery*

The Department of Neuro Surgery at Family Care Hospitals specializes in offering early and accurate diagnosis and treatment of various disorders and diseases of the nervous system.

Our experienced team handles cases like Stroke, Malignant Brain Tumors, Movement disorders, Amyotrophic lateral sclerosis (ALS), Spine disorders and Brain trauma.

### **Services provided:**

- Skull base surgery
- Vascular & endovascular surgery
- Spine surgery
- Morphologic stereotaxic
- Epilepsy surgery
- Movement disorder and spasticity surgery
- Peripheral nerve surgery
- Craniofacial & orbital surgery
- Pediatric neurosurgery

### **Other Services offered by the Company:**

1. Nephrology
2. Neurology
3. Nutrition-Dietician
4. Obstetrics-Gynaecology
5. Oncology
6. Ophthalmology
7. Orthopedics
8. Pediatrics-Neonatology
9. Physiotherapy
10. Radiology
11. Spine-Surgery
12. Urology
13. Plastic Surgery
14. Proctology

Most of our services use common infrastructure and service support depending on the nature of medical care and support required for the patients, doctors and optimal use of hospital infrastructure.

## **OUR COMPETITIVE STRENGTH**

Our competitive strength is as described below:

- ***Well diversified and specialty service offerings***

Our hospital provides various healthcare services which includes medical, surgical and emergency services in various specialties, including cardiology, oncology, radiology, neurosciences, pediatrics, gastroenterology, orthopedics and critical care services. We have invested in the technology, equipment and infrastructure required to perform the complex procedures and to strengthen our specialty focus. For convenience of our customers, we provide value-added services such as home collection of specimens, house calls and various delivery or access modes (i.e., at diagnostic Centre's, SMS, email, web and mobile portal) for test reports.

- ***Emerging multi-speciality hospital in the locality***

Being a dedicated Covid healthcare center (DCHC- Dedicated Covid Healthcare Centre) for treatment of covid patients, our hospital gained good attention and service traction amongst patients during the pandemic and treated over 2,000 Covid patients. Further, our hospital has catered to over 30,000 patients on a cumulative basis . Thus, over the past 4 years, this hospital has emerged as a quality healthcare provider in the locality.

- ***Customer Centric Services***

We focus on a customer centric approach to enhance the overall quality of our services for optimal customer satisfaction. For convenience of our customers, we provide value-added services such as home collection of specimens, house calls and various delivery or access modes (i.e., at diagnostic Centre's, SMS, email, web and mobile portal) for test reports. Several factors, including the integrated services model, quality of our diagnostic services, center infrastructure and customer experience, convenience of our operational network and home collection are important differentiating factors in customers choosing us as their healthcare service provider, which helps us in retaining our customers, and sets us apart from our competitors.

## **OUR BUSINESS STRATEGIES**

- ***Digital Media Plus Approach***

Our major focus will be on integrating our existing healthcare services offerings with technology driven, mobile app-based customer acquisition with service delivery happening through hospital website, mobile application and tele support desks. Various customer experience, satisfaction and service initiatives are being integrated with social media handles of the Company for effective communication and better branding. With the launch of our mobile application, our customers will widely benefit from the online experience, layering above the wide presence of our various services. Some of the services offered through our mobile application and corresponding Company's website are:

- Appointment with Doctors
- Buying Medicines
- E- Surgery Consulting and Facilitation
- Book Lab Tests
- Nursing Services
- Live Consultations
- Doctors at Home
- Patient Record Storage and Management

- ***Attract and retain prominent, skilled doctors***

The skill level of a hospital's doctors is key to its success. We believe that hiring surgeons and other physicians who have established reputations for clinical excellence in their communities is the key to the successful implementation of our strategy to acquire, develop and operate hospitals. We shall continue to engage prominent specialist as consultant to provide their expertise to our patients.

- ***Minimise the cost of patient acquisition***

Our hospital and business adopt a hybrid plan for sourcing new patients and serving existing patients in a manner wherein there are connects with the local medical, NGOs, Trusts and business generation and also other network/ consultant affiliates. Generally, the aim is to try and ensure lower costs for new patient acquisition through walk-in at the hospital facility.

- ***Clinical excellence and affordable health care***

Family Care Hospitals, has served more than 30,000 patients in the past four years with over 2,000 surgeries performed. With such integrated growth model, we believe that our Company delivers clinical services through quality healthcare solutions, supported by a combination of experienced medical talent. Our hospital provides health care plans for individual and family at affordable rates. Our hospital also provides comprehensive healthcare services across a range of specialties and super-specialties.

- ***Strengthen our existing hospital and specialties***

We intend to strengthen our existing hospital by further balancing our specialty mix and deepening our expertise in select specialties. We have identified Bariatric, cardiology, dermatology, diabetology, ENT, Gastroenterology, General Laparoscopy, Haematology, Neuro Surgery as specialties that we intend to further strengthen and grow. We also aim to strengthen our oncology services by adding radiation and surgical services and introducing oncology services at our hospital. We plan to continue to focus on, and expand our ability to provide, complex and advanced quaternary healthcare in various specialties.

As demand for healthcare services grows in the future, we will also periodically evaluate whether to increase the bed capacity of our existing hospitals. As a result, we believe that we have sufficient demand across our hospital network to add additional beds through a mix of brownfield and greenfield projects wherever needed when demand for quality and affordable healthcare services increases in the future.

## **ENVIRONMENTAL, HEALTH AND SAFETY MATTERS**

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/wastes. Our laboratories are subject to applicable laws and regulations relating to biohazard disposal of all laboratory, surgery, human, chemicals and blood specimens with regular disposal for all bio medical and medical waste across the hospital.

We strive to provide employees with a safe working environment. Our employees are trained and encouraged to use protective equipment and instruments while handling biological specimen and adhere to national and local safety guidelines, including that of biomedical waste disposal. We imbibe knowledge of radiation safety practices to all our staff working in radiation zone as is necessary.

Safety devices are provided and the functions of which are regularly checked. These devices include biosafety and laminar flow cabinets, emergency showers, fire extinguishers, eye wash facilities, fire alarms, smoke detectors and fire hose reels. Fire evacuation plans and emergency exits are displayed at provisional areas.

## **CORPORATE SOCIAL RESPONSIBILITY**

Corporate Social Responsibility is an integral part of the Company's ethos and policy and it has been pursuing this on a sustained basis. In terms of our CSR policy, our Company's CSR activities are focused on areas such as welfare and sustainable development of the community at large including but not limited to health-care, education, etc.

The Company recognizes its obligations to act responsibly, ethically and with integrity in its dealings with employees, community, customers and the environment as a whole, but due to the contingencies in businesses and unacquaintance of sources of CSR expenditure, the Company was not able to spend ₹ 3.82 Lakhs in CSR initiatives which shall be spent in the subsequent years.

## **KEY EQUIPMENTS USED IN OUR HOSPITALS**

As on the date of this Draft Letter of Offer, the list of equipment's used by our Company in Family Care Hospitals situated at Mira Road are as under:

<b>Sr. No.</b>	<b>Name of equipment's</b>	<b>Service Category</b>	<b>Quantity</b>
1	Generator 320 KVACummins along with AMF panel	Generator	1
2	Hospital lift	Lift	1
3	Anesthesia machine GE datexmodel CS30 2 gas	Anesthesia Machine	2
4	Limbo 72"	Anesthesia Machine	1
5	GE model 9100 C config &accessories	Anesthesia Machine	1
6	Single tank, LIH monitor, memory monitor, X-Ray controller, monitor trolley	C-Arm Machine	1
7	Big autoclave-5075HSG	CSSD Machine	1
8	Table authoclave-3870EA	CSSD Machine	1
9	X-Ray machine with accessories	X-Ray	1

Sr. No.	Name of equipment's	Service Category	Quantity
10	Complete ophthalmic refraction unit	Ophthalmic Equip	1
11	Appa applanation tonometer-LCD-chart, surgical operating microscope, appahead (AAOm 250)	Ophthalmic Equip	1
12	Autorefractometerpotec-5000, 20D volk lens	Ophthalmic Equip	1
13	Ventilator-adult & pediatric	ICU & OT Equip	2
14	Ventilator-adult & pediatric & neonatal	ICU & OT Equip	1
15	Dr Mach two arm ceiling mount OT lights	Operation Theatre (OT)	2
16	Dr Mach LED lights for labor room	OT	1
17	Single dome V LED OT light (PSI maximus: adv hydraulic)	OT	1
18	OT table ortho/neuro/gen surgery (PSI maximus: adv hydraulic)	OT	1
19	OT table uro/gen surgery	OT	1
20	Motorized operation table for Gen. Surgery	OT	1
21	Air/vacuum/oxygen system	Oxygen & Vacuum Sys	1
22	Air system air compressor	Oxygen & Vacuum Sys	2
23	Oxygen system	Oxygen & Vacuum Sys	1
24	Nitrous system	Oxygen & Vacuum Sys	1
25	Color doppler ultra sound scanner system	Sonography Machine	1
26	DX-525/SIM/90-1R	X-Ray System	1
27	Genius -60M mobile control with collimex III	X-Ray System	1
28	De fib (schillar)	ICU/Cathlab/ Casualty	2
29	C- Arm motorized	X-Ray System	1
30	Warm touch 6000 convective patient warming	OT & ICU	1
31	Bio chemistry analyser	Analyser of sugar, cholesterol, protein, enzyme, etc	1
32	Easyliteplus-analyser model	Test	1
33	Hematology analyser	Cell counter	1
34	Radiant heat warmer	General	1
35	Ambulance	Patient Service	1
36	I Chorma	immuno-analyzer	1
37	Hemocron signature elite act plus abaylzer	Cardio related test	1
38	ETO machine	General/ Sterilizer	9
39	Cathlab machine	Cardiac	1
40	IABP Cathlab	Cardiac	1
41	Fire alarm system	General	1
42	Ventilator	General	1
43	Syringe pump	General	10
44	Monitors	General	10
45	Ventilator	General	2
46	Sonography machine board	Sonography	1
47	Elisa plats reader	Antibody test	1
48	Oxygen panel board automatic	General	1
49	High flow	Nasal Oxygen Therapy	1
50	ECG	Heart activity monitor	1
51	ECG	Heart activity monitor	2
52	Oxygen cylinder	General	50
53	De fib (other)	ICU/Cathlab/Casualty	1

Please note the above list does not include list of consumables and support equipment and gadgets which vary in terms of usage and operations as they are large in numbers and many are disposable in nature.

As on the date of this Draft Letter of Offer, the list of equipment's used by our Company in in nine different Imaging centers situated in Mumbai:

Sr. No.	Imaging centers	Name of Equipment's	Identification Serial No.
1	Andheri	CS 9300C	ZJAZ018
		HP Z210	SGH133QVZR
		SURT 6000	S1142005855
2	Tardeo	CS9300	ACAZ023
		HP Z210	SGH210PZ1S
		SURT 6000	B21213000288
3	Santacruz	CS9300	CDAZ027
		Dell	2GR3T02
		DV5700	K52703536
		SURT 6000	B21414000288
4	Borivali	CS 9300C	CDAZ003
		Dell	DAOSJ4IJ5H
		DV5700	K53743158
		SURT 6000	B21417000449
5	Dadar	CS 8100	EGID024
		DELL3471	GVDXJ23
		SURT 6000	B21540001755
		DV5700	K53743158
6	Matunga	CS 9300	ZJAZ022
		DV5700	K58079882
		HP Z210	SGH132Q6JM
		SURT 6000	S1142005862
7	Goregaon	CS 8100	ECID057
		Dell	DASRXP2X3Y
		SRC 3000	B21428001750
8	Khar	CS 8100 3D	ECID056
		SURT 6000	-
9	Churchgate	CS 8100 3D	EAID168
		DELL T1700	DA59WIRASF
		SRC 3000	B21428001557

## INFRASTRUCTURE FACILITIES

### WATER

Water is required for the drinking, sanitation and fire purpose. Water supply requirement is being fulfilled through water supplied by our municipal corporation.

### POWER

Our hospital has power connection from Torrent Power Limited. In case of power failure from Torrent, the D.G. (Diesel Generator) Sets are activated and the power supply system automatically switches to D.G. within few minutes. The DG Set of 320 KVA is installed for power back up in case of power failure.

In case of malfunction of D.G.Sets, the hospital has 4 UPS power backup which lasts for upto 20 minutes each.

## MARKETING AND SALES ARRANGEMENT

We use both traditional and digital methods of marketing. We also use local newspaper advertisement and local media channels to promote our services. We also take advantage of the social media platforms wherever makes business sense. We use multiple conventional and unconventional channels in a cost-effective manner to undertake our marketing activities. Our marketing activities are centered on building our brand image as a trusted healthcare service provider, and enhancing the flow of patients to our healthcare facilities. We have also adopted the concept of health check-up camps not only at our premises but also in the different areas of Mumbai Metropolitan Region.

Our Company has a dedicated team of professionals who oversee different marketing related functions. For our brand building exercises, we use various mass media platforms. Sometimes on-site promotion and displays are also done for branding and new service offerings or pricing discount communications. In the recent past, we have also explored digital marketing channels, including social media, and have identified a specific market segmentation and differentiation approach for greater efficiency and impact, at a relatively competitive cost.

## COMPETITION

While our primary competition comprises hospitals, which are institutionalized hospitals providing primary, tertiary, and quaternary healthcare services, we face varying degrees of competition across the numerous markets that we have a presence in. In addition, we compete with many smaller, independent clinical and pathology laboratories as well as laboratories owned by hospitals and physicians. New age medical and alternative medical care services like Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy (AYUSH) also offer competition for our business.

We believe that our brand, integrated services model, quality of our healthcare services, center infrastructure and customer accessibility are some of the differentiating factors in customers choosing us as their healthcare service provider, which helps us in retaining our customers, and help us compete with our competitors.

Branded and established hospitals across the Mumbai Metropolitan Region can be potential competitors for the hospital business. Similarly, pathology and medical chains, home care service providers and radiology imaging service providers can be considered as a competition for our business.

Emerging new generation med-tech based business model ventures will also be a source competition for our Company.

## HUMAN RESOURCES

Human resource is an asset to any industry, sourcing and managing is very important task for the management. We believe that our employees are the key to the success of our service.

As on September 30, 2022, below are the details of Human Resources:

Sr. No.	Department	No. of Employees
<b>Scandent – HO</b>	Administration	2
	Finance & Accounts	2
	FOS	1
	Secretarial	1
<b>Scandent – Imaging Division</b>	Dental	11
	Dental (On contract basis)	2
<b>Scandent - Mira Road (Family Care Hospitals)</b>	Administration	19

Sr. No.	Department	No. of Employees
	Cathlab	3
	CSSD	2
	Dietician	2
	Finance & Accounts	8
	FOS	1
	HR	1
	IT	1
	Marketing	3
	Nursing	27
	OT	2
	Pathology	4
	Pharmacy	4
	X-Ray	3
	Administration	17
	Medical consultant	8
	Medical Critical Care	2
	Medical RMO	15
	Pathology	1
	Finance & Accounts	1
	Nursing	7
	OT	2
	Pharmacy	2

We have not experienced any major strikes, work stoppages, labour disputes or actions by or with our employees and we have good and cordial relationship with our employees.

#### CAPACITY AND CAPACITY UTILISATION

As on October 31, 2022, the Company operates a 100-bed capacity hospital in Mira Road, Thane District, Maharashtra, India.

Particular	March 31, 2022	March 31, 2021	March 31, 2020
Bed Capacity in Nos	100	100	100
Ownership %	100	100	100
Operational Beds in Nos.	50	50	35
Bed Occupancy Rate (%)	49.7	75.9	75.4
ALOS in No. of Days.	4.42	6.71	5.87
ARPOB in Indian Rupees	11092	15650	5135
Inpatient Volume Nos.	2054	2063	1642
Outpatient Volume Nos.	11214	6803	3417

\*As per certificate received from S Somani & Associates, Chartered Accountants bearing UDIN no. 22146767BBLQBO4572.



“Bed Occupancy Rate” means total number of nights stayed by patients during the year divided by total number of nights available in a year.

“ALOS” means average of length of stay, which is the total length of stay days for a year divided by inpatients volume for such year. Length of stay day is based on daily midnight bed count.

“ARPOB” means average revenue per occupied bed per night, which is hospital revenue divided by the total length of stay days.

## COLLABORATIONS/TIE UPS/ JOINT VENTURES

We have entered into memorandum of understanding and healthcare service agreements with various organizations like Care Easy Health Tech Private Limited, Qikwell Technologies India Private Limited, GHV Advanced Care Private Limited, HDFC Ergo General Insurance Company Limited, Media Assist Healthcare Services Limited and SBI General Insurance Company Limited to provide cashless healthcare insurance facilities including not limited to out-patient care, in-patient care, ambulatory care, homecare etc.

## INSURANCE

Except as mentioned below, our Company does not have any Insurance Policy as on date of this Draft Letter of Offer:

Name of the Insurance Company	Type of Policy	Validity Period	Description of Assets covered under the Policy	Policy No.	Total Sum Insured	Premium
ICICI Lombard General Insurance Company Limited	General Insurance Business Services	From: April 19, 2022 To: April 18, 2023	Family Care Hospitals: Hospital, X-ray and Diagnostic clinics	1016/245455294/00/000	₹ 4,17,13,614	₹ 31,010
The New India Assurance Company Limited	Company has taken Package Insurance Policy in the name of Scandent Imaging Limited	From: March 09, 2022 To: March 08, 2023	Family Care Hospitals: Fire and allied perils	99000046212400000080	₹ 8,08,00,000	₹ 1,47,500

Our Company believes that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and our Company cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

We maintain errors and omissions insurance for our hospital and medical staff, as well as public liability insurance. We consider our current insurance coverage to be adequate. We are subject to lawsuits, claims and legal actions by patients in the ordinary course of business. For further details, please see the section titled as “*Outstanding Litigation and Material Developments*” on page 158.

## Health, Safety and Environmental

We are subject to extensive health, safety and environmental laws, regulations and government-prescribed operating procedures and environmental technical guidelines which govern our services, processes and facilities. See “**GOVERNMENT AND OTHER APPROVALS**” on page171. In compliance with these requirements, we have adopted practices to address, among others, the generation, handling, storage, transportation, treatment and disposal of toxic or hazardous bio-medical materials and waste, waste water discharges and workplace conditions.

## OUR PROPERTIES

### Immovable Properties



The brief details of our leased and business operating properties are set out below:

Sr. No.	Details of the Property	Lease Date	Owned/Leased	Purpose Used	Tenure
1.	A-357, Road No.26, Wagle Industrial Estate, MIDC, Thane (West) - 400604, Maharashtra, India.	May 16, 2022	Leased	Registered Office	3 Years (From July 01, 2022 to June 30, 2025)
2.	Family Care Hospitals, Seven Eleven Building, P. K. Road, Opp. Seven Square Academy, Mira Road (East), Thane - 401107, Maharashtra, India.	January 18, 2018	Leased	Hospital	9 Years (From January 18, 2018 to January 17, 2027)
3.	Moksh Plaza, First floor, Shop no 52, S V Road, Borivali West, Mumbai - 400092.	December 29, 2021	Leased	Imaging Centre	12 months (From November 01, 2021 to October 31, 2022)
4.	Unit No.101, Ground Floor, Om Heera Panna mall, Behind Oshiwara police station, Andheri (W) Mumbai - 400053.	April 16, 2022	Leased	Imaging Centre	3 Years (From January 01, 2022 to December 31, 2024)
5.	503, 5th Floor, Churchgate Chambers, Next to American Centre, Opp Alliance Francaise, Vithaldas Thackersey Marg, New Marine Lines Mumbai - 400020.	September 18, 2021	Leased	Imaging Centre	5 Years (From May 01, 2021 to April 30, 2026)

Sr. No.	Details of the Property	Lease Date	Owned/Leased	Purpose Used	Tenure
6.	Shop No-37, Ground Floor, Topiwala Center Mall, Near Railway Station, Topiwala Marg, Off S.V Road, Goregoan (W), Mumbai - 400062.	August 10, 2021	Leased	Imaging Centre	5 Years (From April 01, 2021 to March 31, 2026)
7.	332, Shanti Niketan Bldg, Next to Lions Club of Bombay East, Opp Tejoo Kaya Park, Ambedkar Road, Matunga (E) Mumbai - 400019.	February 03, 2022	Leased	Imaging Centre	5 Years (From February 03, 2022 to February 02, 2027)
8.	201, Silver Square, 2nd Floor, Behind Surya Hospital, Near Vijay Sales, Dattatray Road, Off S V Road, Santacruz (W) Mumbai - 400054.	July 17, 2019	Leased	Imaging Centre	4 Years (From May 15, 2019 to May 14, 2023)
9.	Ground Floor, Shop No.12, Tardeo AC Market Building, Tardeo Road, Tardeo Mumbai - 400034.	July 20, 2022	Leased	Imaging Centre	5 Years (From July 20, 2022 to July 19, 2027)
10.	Shivaji Park, Shop No 1, Sai Raj Dham Society, Near Shivaji Park Police Sation, Ram Maruti Marg, Dadar (W) Mumbai - 400028	April 04, 2022	Leased	Imaging Centre	3 Years (From January 01, 2022 to December 31, 2024)
11.	2nd Floor, Dawn, Above Fab India, 7th Road Junction, Linking Road, Khar (W) Mumbai - 400052.	January 01, 2018	Leased	Imaging Centre (Revenue Sharing Agreement)	9 Years (From September 23, 2017 to September 22, 2026)

### ***Intellectual Property***

Our Company has obtained registration and/or made applications for the registration of the following trademark with Trademark Registry, Government of India.

<b>Sr. No.</b>	<b>Brand Name/ Logo Trademark</b>	<b>Class</b>	<b>Nature of Trademark</b>	<b>Applicant</b>	<b>Application No. &amp; Date</b>	<b>Status</b>
1.		44	Wordmark	Doctor Dental Services Limited	2269809 & January 20, 2012	Registered
2.		44	Wordmark	Scandent Imaging Limited	3638715 & September 19, 2017	Registered

## OUR MANAGEMENT

In terms of our Articles of Association and subject to the provisions of the Companies Act, 2013, our Company is required to have not less than 3 Directors and not more than 15 Directors, unless otherwise determined by a special resolution. As on the date of this Draft Letter of Offer, our Board comprises 6 Directors of whom 1 is an Executive Director, 2 are Non-Executive Directors and 3 are Independent Directors. Accordingly, the current composition of our Board is in compliance with the Companies Act, 2013 and the SEBI Listing Regulations.

### Our Board of Directors

Set forth below are details regarding our Board as on the date of filing of this Draft Letter of Offer:

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other directorships in Companies
<p><b>Pandoo Naig</b>  <b>Designation:</b> Managing Director  <b>DIN:</b> 00158221  <b>Date of Birth:</b> April 15, 1981  <b>Age:</b> 41  <b>Occupation:</b> Business  <b>Address:</b> 307, Naig House, 2<sup>nd</sup> Floor, Raut Lane, Opp. Iskon Temple, Juhu, Vile Parle (West), Mumbai – 400049, Maharashtra, India.  <b>Nationality:</b> Indian  <b>Original Date of Appointment:</b> September 15, 2020  <b>Period of Directorship:</b> Re-appointed with effect from April 26, 2021 for a period of 5 years.</p>	<p>1. Eyelid Infrastructure Private Limited                  2. Dealmoney Commodities Private Limited                  3. Dealmoney Financial Services Private limited                  4. Dealmoney Distribution and Advisory Services Private Limited                  5. Pearl Financial Advisors Private Limited                  6. Dealmoney Real Estate Private Limited                  7. Pran Fertilisers &amp; Pesticides Private Limited                  8. Dealmoney Insurance Broking Private Limited</p>
<p><b>Lucy Massey</b>  <b>Designation:</b> Non-Executive Non-Independent Director  <b>DIN:</b> 09424796  <b>Date of Birth:</b> August 4, 1975  <b>Age:</b> 47  <b>Occupation:</b> Professional  <b>Address:</b> Building No.82, Room No 2840, Opp. Bhagawandas Sabhagrah Hall, Nehru Nagar, Kurla (East), Mumbai - 400024, Maharashtra, India.  <b>Nationality:</b> Indian  <b>Original Date of Appointment:</b> November 8, 2021  <b>Period of Directorship:</b> Re-appointed with effect from July 28, 2022; Liable to retire by rotation.</p>	<p>Nil</p>
<p><b>Suryakant Laxman Khare</b>  <b>Designation:</b> Additional Non-Executive Director  <b>DIN:</b> 08133920  <b>Date of Birth:</b> June 29, 1953  <b>Age:</b> 69  <b>Occupation:</b> Professional</p>	<p>Nil</p>

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other directorships in Companies
<p><b>Address:</b> 301, Primrose CHS, Ganeshwadi Marg, Panchpakhadi, Thane-400601, Maharashtra, India.</p> <p><b>Nationality:</b> Indian</p> <p><b>Original Date of Appointment:</b> August 20, 2022</p> <p><b>Period of Directorship:</b> Appointed with effect from August 20, 2022; Liable to retire by rotation.</p>	
<p><b>Dr. Rajnish Kumar Pandey</b></p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>DIN:</b> 01096119</p> <p><b>Date of Birth:</b> July 10, 1961</p> <p><b>Age:</b> 61</p> <p><b>Occupation:</b> Professional</p> <p><b>Address:</b> D-101, Ahima Terrace, Ahimsa Marg Chincholi, Off Link Road, Malad (West), Mumbai – 400 064, Maharashtra, India.</p> <p><b>Nationality:</b> Indian</p> <p><b>Original Date of Appointment:</b> March 19, 2013</p> <p><b>Period of Directorship:</b> Re- Appointed with effect from September 20, 2019 for a further period of 5 years; Not Liable to retire by rotation.</p>	<ol style="list-style-type: none"> <li>1. Sarsan Securities Private Limited</li> <li>2. Doctors Dental Services Limited</li> </ol>
<p><b>Dhananjay Parikh</b></p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>DIN:</b> 02934120</p> <p><b>Date of Birth:</b> October 31, 1956</p> <p><b>Age:</b> 66</p> <p><b>Occupation:</b> Business</p> <p><b>Address:</b> 26/27, Soham Bungalows, Opp. Shobhana Nagar, Vasana Road, Vadodara- 390020, Gujarat, India.</p> <p><b>Nationality:</b> Indian</p> <p><b>Original Date of Appointment:</b> September 15, 2020</p> <p><b>Period of Directorship:</b> Re-appointed with effect from December 29, 2020 for a period of 5 years; Not Liable to retire by rotation.</p>	<ol style="list-style-type: none"> <li>1. Onelife Capital Advisors Limited</li> </ol>
<p><b>Aneish Kumaran Kumar</b></p> <p><b>Designation:</b> Additional Non-Executive Independent Director</p> <p><b>DIN:</b> 08766256</p> <p><b>Date of Birth:</b> March 1, 1958</p> <p><b>Age:</b> 64</p> <p><b>Occupation:</b> Professional</p> <p><b>Address:</b> Flat No 303, 304 B Wing RNA Heights, J.V. Link Road Near Majas Bus Depot, Andheri East, Chakala MIDC, Mumbai-400093, Maharashtra, India</p> <p><b>Nationality:</b> Indian</p>	<ol style="list-style-type: none"> <li>1. Flomic Global Logistics Limited</li> <li>2. Canopy Finance Limited</li> </ol>

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other directorships in Companies
<b>Original Date of Appointment:</b> August 16, 2022 <b>Period of Directorship:</b> Appointed with effect from August 16, 2022; Not Liable to retire by rotation.	

### **Brief Profile of our Directors**

#### **Pandoo Naig - Managing Director**

**Pandoo Naig**, aged 41, Managing Director of the Company. He has been appointed as Managing Director of our Company w.e.f. September 15, 2020. He is also associated with several Companies like Onelife Capital Advisors Limited. He has more than 17 years of experience in capital markets. He presently looks after finance, overall management and operation of the Company.

#### **Lucy Massey- Non-Executive Director**

**Lucy Massey**, aged 47 years, Non-Executive Director of the Company. She is an advocate having completed her Bachelor of Legal Science & Bachelor of Legislative Law from Government Law College, Mumbai. She has also completed her Masters Laws from University of Mumbai. She has adequate years of experience in legal field and has also appeared before courts as counsel and argued bails and final hearings in various cases.

#### **Suryakant Laxman Khare - Additional Non-Executive Director**

**Suryakant Laxman Khare**, aged 69, Non-executive Director of the Company. He is an Associate Member of the Institute of Company Secretaries of India. He has an overall experience of more than 47 years in various departments like accounts, costing, excise, marketing, secretarial and legal. He was appointed as an additional Non-Executive Director of our Company with effect from August 20, 2022.

#### **Rajnish Kumar Pandey - Independent Director**

**Rajnish Kumar Pandey**, aged 61, Independent Director of the Company. He is a Fellow Member of the Institute of Chartered Accountants of India. He has several years of experience in the fields of Finance, Accounts, Project Management, Management Accounting & Control, Management Information Systems, Taxation, Auditing, Insolvency and Bankruptcy.

#### **Dhananjay Parikh - Independent Director**

**Dhananjay Parikh**, aged 66, Independent Director of the Company. He is a Fellow Member of the Institute of Chartered Accountants of India. He has rich experience in the field like Firm Audit & Project work division Corporate, Audit & Taxation of Public Limited Companies, Internal Audit, Investigation Audit, Broker Audit and Bank Audit.

#### **Aneish Kumaran Kumar - Additional Independent Director**

**Aneish Kumaran Kumar**, aged 64, Independent Director of the Company. He has rich experience in the field of banking and finance with expertise in marketing trade finance, corporate banking, cash management, industrial credit, loan syndication, leasing & hire purchase, product and business development. He was appointed as an additional Non-Executive Director of our Company with effect from August 16, 2022.

### **Confirmations**

None of our Directors is or was a director of any listed companies, whose shares have been or were suspended from being traded on any stock exchanges having nationwide terminals, during the last five (5) years immediately preceding the date of this Draft Letter of Offer, during the term of their directorship in such company.

None of our Directors is or was, a director of any listed companies, which has been or were delisted from any stock exchange(s), during the last five (5) years immediately preceding the date of this Draft Letter of Offer, during the term of their directorship in such company. None of our Directors have been debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Directors, have been identified as Wilful Defaulters or Fraudulent Borrowers.

None of our Directors are declared as Fugitive Economic Offenders.

***Nature of any family relationship between any of our Directors:***

The present directors in our Board are not related to each other within the meaning of section 2(77) of the Companies Act, 2013.

***Arrangements with major Shareholders, Customers, Suppliers or Others:***

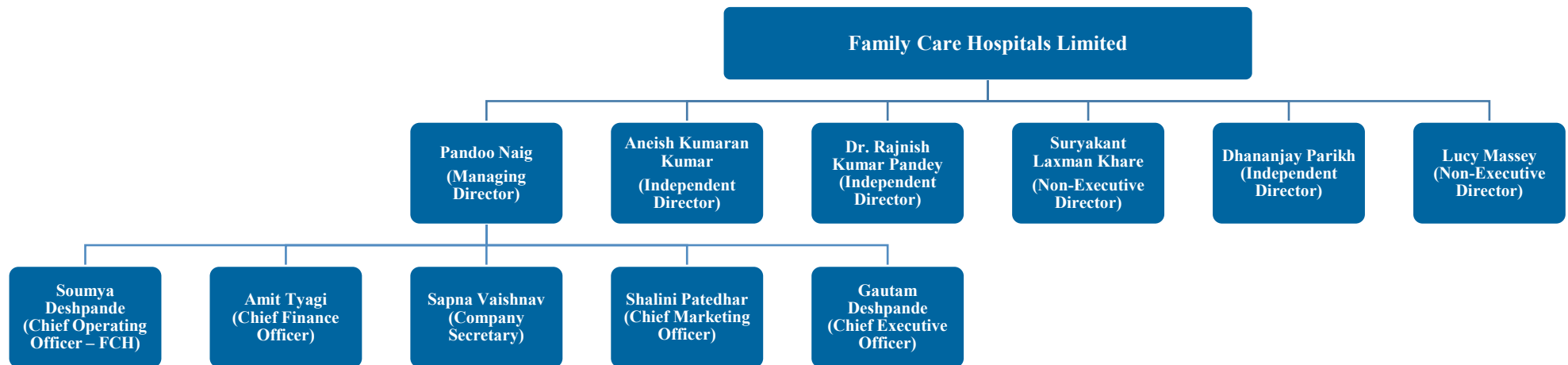
We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers, or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

***Service Contracts:***

Except statutory benefits upon termination of their employment in our Company on retirement, no officer of our Company, including our Directors and the Key Managerial Personnel has entered into a service contract with our Company, pursuant to which they are entitled to any benefits upon termination of employment.



**Management Organisation Structure:**



## CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations, SEBI ICDR Regulations and the Companies Act with respect to corporate governance are applicable to us. We are in compliance with the requirements of the Companies Act and the SEBI Listing Regulations in respect of corporate governance including constitution of our Board and committees thereof. Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act.

### COMMITTEES OF THE BOARD OF DIRECTORS

Our Board of Directors presently has four (4) committees which have been constituted in accordance with the relevant provisions of the Companies Act and SEBI Listing Regulations: (i) Audit Committee, (ii) Nomination and Remuneration Committee and (iii) Stakeholders Relationship Committee and (iv) Risk Management Committee.

Details of each of these committees are as follows:

#### 1. Audit Committee

The Audit Committee of our Board constituted by our Board of Directors pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Sr. No.	Name of the Director	Designation	Position in the committee
1	Dr. Rajnish Kumar Pandey	Independent Director	Chairperson
2	Lucy Massey	Non-Executive Director	Member
3	Dhananjay Parikh	Independent Director	Member

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

#### *Terms of Reference for the Audit Committee*

The Audit Committee shall be responsible for, among other things, from time to time, the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, re-appointment, Remuneration and term of appointment of auditor of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(3) (c) of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- 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 utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring

agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- Review and monitor the auditors' independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter – corporate loans and investments.
- Examination of the financial statement and the auditor report thereon.
- Evaluation of internal controls and risk management systems;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Establish a vigil mechanism for directors and employees to report genuine concerns manner as may be prescribed;
- Reviewing with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company
- The audit committee shall review the information required as per SEBI Listing Regulations.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least 4 times a year with maximum interval of 4 months between 2 meetings and the quorum for each meeting of the Audit Committee shall be 2 members or one third of the members, whichever is greater, provided that there should be a minimum of 2 independent directors present.

## 2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee currently comprises of:

Sr. No.	Name of the Director	Designation	Position in the committee
1	Dr. Rajnish Kumar Pandey	Independent Director	Chairperson
2	Dhananjay Parikh	Independent Director	Member
3	Lucy Massey	Non-Executive Director	Member

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

### *Terms of Reference for the Nomination and Remuneration Committee*

- Identification of persons who are qualified to become Directors and who may be appointed at Senior Management position in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Recommendation for fixation and revision of remuneration packages of Managing Director and Executive Directors to the Board for review and approval;
- Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of every Director and carry out performance evaluation of Directors;
- Devising a policy on Board diversity;

- Extension or continuation of term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

### 3. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of our Board constituted by our Directors pursuant to section 177 of the Companies Act, 2013. The Stakeholders Relationship Committee comprises of:

Sr. No.	Name of the Director	Designation	Position in the committee
1	Dr. Rajnish Kumar Pandey	Independent Director	Chairperson
2	Dhananjay Parikh	Independent Director	Member
3	Lucy Massey	Non-Executive Director	Member

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 177 of the Companies Act and Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

#### *Terms of Reference for the Stakeholders' Relationship Committee*

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

- Resolving the grievances of the security holders including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of status of requests i.e. processing of complaints within statutory timelines;
- Oversee of performance of Registrar and Transfer Agents;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence of the service standards adopted in respect of various services being rendered by the Registrar and Transfer Agents;
- Review of the various measures and initiatives for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### 4. Risk Management Committee

Regulation 21 of the Listing Regulations mandates constitution of the Risk Management Committee. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the Risk Management Plan of the Company.

The Composition of the Risk Management Committee is given below:

Sr. No.	Name of the Director	Designation	Position in the committee
1	Pandoo Naig	Executive Director	Chairperson
2	Dr. Rajnish Kumar Pandey	Independent Director	Member
3	Lucy Massey	Non-Executive Director	Member

## OUR KEY MANAGERIAL PERSONNEL

In addition to our Executive Director namely, Pandoo Naig, whose details have been provided under paragraph above titled “*Brief Profile of our Directors*”, set forth below are the Details of our other Key Managerial Personnel as on date of filing of this Draft Letter of Offer:

1. Gautam Deshpande, Promoter and Chief Executive Officer;
2. Amit Tyagi, Chief Financial Officer; and
3. Sapna Vaishnav, Company Secretary and Compliance Officer

**Gautam Deshpande** is the Promoter and Chief Executive Officer of our Company. He holds the degree of Bachelor in Dental Surgery (BDS) from K L E’s Institute of Dental Sciences, Karnataka. He has an experience of more than 20 Years in Healthcare Industry. He is responsible for the planning, growth and management of the dental imaging business of the Company.

**Amit Tyagi** is the Chief Financial Officer of our Company. He joined our Company from August 14, 2015. He has completed his master in commerce from Mumbai University in the year 2019. He has an experience of more than 6 years in the field of finance and accounts. He has been looking after the overall financial and administrative activities of the Company.

**Sapna Vaishnav** is the Company Secretary and Compliance officer of our Company. She joined our Company from July 9, 2022. She is an associate member of the Institute of Company Secretaries of India. She has an experience of about two years in the field of secretarial compliance. She ensures that the Company complies and operates in accordance with statutory and legal provisions and looks after the secretarial matters of our Company.

### Service Contracts with Key Managerial Personnel

Our Key Managerial Personnel, other than our Executive Director, are governed by the terms of their appointment letters and have not executed any service contracts with our Company.

### Retirement and termination benefit

Except for applicable statutory benefits, none of our Key Managerial Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

### Status of employment of our Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company.

### Relationship between our Key Managerial Personnel

None of our Key Managerial Personnel are related to each other.

## OUR PROMOTER

**Gautam Deshpande** is the Promoter and Chief Executive Officer of our Company. He holds the degree of Bachelor in Dental Surgery (BDS) from K L E's Institute of Dental Sciences, Karnataka. He has an experience of more than 20 Years in Healthcare Industry. He is responsible for business planning, growth and management of the dental imaging business of the Company.

Gautam Deshpande holds directorship in the below mentioned Companies:

Name of the Company	CIN	Designation
Transform Engineering Private Limited	U28299MH2005PTC156905	Director
Sowgau Estates Private Limited	U70101MH2004PTC144047	Director
Doctors Dental Services Limited	U85191MH2011PLC221910	Director
S23 Mew Film Distribution Limited	U93000MH2010PLC211151	Director

## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act of India. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the Financial Year, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Our Company has not declared any dividends during the last three Fiscal years other than the final dividend of 1% declared by the Board pursuant to its resolutions dated June 29, 2022 for the fiscal year ended March 2022. The Company has no formal dividend policy. Our company is in its growth phase for operations and hence may generally choose to plough back on profits and cash flows generated compared to pay out for dividends.

The dividends declared by our Company during the last three Fiscal years have been presented below:

<b>Year ended March 31</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Face Value of Equity Share (INR per share)	10	10	10
Dividend on Equity Shares (INR)	0.10	-	-
Equity Share (INR Crores)	3.21	3.21	3.21
Dividend Tax (%)	15	-	-
Dividend Rate for Equity Shares (%)	1%	-	-

The amounts paid as dividends in the past are not necessarily indicative of our dividend policy or dividend amounts, if any, in the future.

**SECTION V – FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

<b>Particulars</b>	<b>Page No.</b>
Limited Reviewed Financial Results for the period ended on June 30, 2022	114-116
Restated Financial Statements for the financial year ended March 31, 2022, 2021, 2020	117-145



**Scandent Imaging Limited**  
**Statement of Unaudited Financial Results for the Quarter Ended 30th June 2022**

[Figures in ` lakhs unless stated otherwise]

Sr. No.	Particulars	Quarter Ended		Year Ended	
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		Unaudited	Audited	Unaudited	Audited
1	Revenue from Operations	1,124.35	848.52	1,243.55	4,206.52
2	Other Income	23.92	3.33	10.59	31.33
3	<b>Total Income (1 + 2)</b>	<b>1,148.27</b>	<b>851.86</b>	<b>1,254.14</b>	<b>4,237.85</b>
4	<b>Expenses</b>				
	Purchase of Stock-In-Trade	543.62	249.84	347.58	1,449.56
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(0.80)	4.03	(0.17)	15.08
	Employee Benefits Expense	74.51	77.83	99.15	371.98
	Finance Costs	11.92	13.74	13.33	42.68
	Depreciation and Amortisation Expense	36.50	35.93	35.74	143.70
	Other Expenses	306.51	322.64	555.87	1,508.49
	<b>Total Expenses (4)</b>	<b>972.25</b>	<b>704.01</b>	<b>1,051.50</b>	<b>3,531.49</b>
5	<b>Profit / (Loss) before exceptional items and tax (3 - 4)</b>	<b>176.02</b>	<b>147.85</b>	<b>202.64</b>	<b>706.36</b>
6	Exceptional items	-	-	-	-
7	<b>Profit / (Loss) before tax (5 + 6)</b>	<b>176.02</b>	<b>147.85</b>	<b>202.64</b>	<b>706.36</b>
8	<b>Tax expense</b>				
	(a) Current Tax	45.76	41.27	52.69	186.48
	(b) Deferred Tax Credit / (Charge)	-	-	-	-
	(c) Earlier Year	-	-	-	-
9	<b>Profit / (Loss) for the year (7 - 8)</b>	<b>130.25</b>	<b>106.58</b>	<b>149.95</b>	<b>519.88</b>
10	<b>Other Comprehensive Income</b>				
	(a) (i) Items that will not be reclassified to Profit or Loss				
	Re-measurement of defined benefit plans	-	(3.12)	-	(3.12)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	(b) (i) Items that will be reclassified to Profit or Loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	<b>Other Comprehensive Income for the year (10)</b>	<b>-</b>	<b>(3.12)</b>	<b>-</b>	<b>(3.12)</b>
11	<b>Total Comprehensive income for the year (9 + 10)</b>	<b>130.25</b>	<b>103.46</b>	<b>149.95</b>	<b>516.76</b>
12	<b>Paid-up equity share capital (Face Value - `10 per share)</b>	<b>3,210.00</b>	<b>3,210.00</b>	<b>3,210.00</b>	<b>3,210.00</b>
13	<b>Earnings Per Share (of `10/- each) (not annualised): Basic and Diluted earnings per share`</b>	<b>0.41</b>	<b>0.33</b>	<b>0.47</b>	<b>1.62</b>

**Notes:**

- 1 The Statement of financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting standards) (Amendment) Rules, 2016 and other accounting principles generally accepted in India. There is no minority interest.
- 2 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 09, 2022 and have been reviewed by the Statutory Auditors.
- 3 Segment reporting as per Indian Accounting Standard 108 is not applicable as Company operates only in one segment i.e., Healthcare Services.
- 4 Previous years / periods figures have been regrouped or reclassified wherever necessary to make them comparable with the figures of the current period.

**For and on behalf of the Board of Directors**  
**Scandent Imaging Limited**



Pandoo Naig  
 Managing Director  
 DIN No. 00158221

Place : Thane  
 Date : 09 Jul 2022

**LIMITED REVIEW REPORT FOR QUARTER ENDED  
30<sup>th</sup> June, 2022**

To,  
The Board of Directors,  
Scandent Imaging Limited  
Plot No. 357, Road No. 26,  
Wagle Industrial Estate,  
MIDC, Thane (West) - 400604

**Re: Report on financial Results for the quarter ended 30<sup>th</sup> June, 2022**

1. We have reviewed the accompanying statement of unaudited financial results of **Scandent Imaging Limited** ('the company') for the quarter ended 30<sup>th</sup> June, 2022 ('the Statement') attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review in accordance with Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data, and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is invited to the following:
  - a. Statutory Dues related to Income Tax, Provident Fund, GST and Profession Tax amounting to Rs 162.92 lakhs have become overdue and remain unpaid. Interest, penalty, if any in respect of the same has remained unascertained and unaccounted for.



- b. IND AS 115 requires Income to be recognised as and when the performance obligation is satisfied. However, the company has a policy of recognising Income on receipt basis. Income is booked when the patient (client) makes the payment.
- c. An eviction suite was filed against the company due to non-payment of lease rent in respect of the Mahim Division. As per Order dated 27<sup>th</sup> September, 2021 of the Small Causes Court Mumbai has directed the company to deposit arrears of rent. The total amount under the said order approximately accumulated to Rs 386 lakhs. However, the company has preferred an appeal against the aforesaid order. Pending the outcome, no provision for the said amount has been made.

Our conclusion is not qualified in respect of above matters

5. Based on our review conducted as above, except for the matters to which attention is drawn above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Financial Results, prepared in accordance with the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Yours faithfully,  
**S. M. Gupta & Co.**  
Chartered Accountants  
ICAI FRN 310015E



*Neena Ramgarhia*

**Neena Ramgarhia**  
**Partner**  
**Membership No: .067157**

UDIN: 22067157AMNLHY2283

Date : 9<sup>th</sup> July 2022

Place: Mumbai

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED  
FINANCIAL INFORMATION**

**The Board of Directors**

**Scandent Imaging Limited**

Plot No. A-357, Road No. 26,

Wagle Estate, MIDC, Thane(W)

Mumbai-400 604.

Dear Sirs,

1. We have examined, the attached Restated Financial Information Scandent Imaging Limited(the "Company" or the "Issuer") which, comprises the Restated Statement of Assets and Liabilities as at 31st March, 2022, 31st March, 2021, and 31st March 2020 the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity and the Restated Statement of Cash Flow for the for the year ended 31st March, 2022, 31st March, 2021 & 31st March, 2020, the Summary Statement of Significant Accounting Policies and other explanatory information(collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 29<sup>th</sup> June, 2022 for the purpose of inclusion in the Draft letter of Offer prepared by the Company in connection with its proposed Right Issue of equity shares prepared in terms of the requirements of:

- a) Section 62 of the Companies Act, 2013, as amended (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 (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in Draft Letter of Offer to be filed with the Securities and Exchange Board of India, BSE Limited in connection with the proposed Right Issue. The Restated Financial Information has been prepared by the management of the Company on the basis of Restated



Financial Information. The responsibility of the respective Boards of Directors of the companies includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information.

3. We have examined such Restated 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 29<sup>th</sup> June, 2022 in connection with the proposed Right Issue;

b) 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 Financial Information; and

d) The requirements of Section 62 and Section 26 of the Companies Act, 2013 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 Right Issue.

4. These Restated Financial Information have been compiled by the management from audited financial statements for the years ended March 31, 2022, 2021 and 2020 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 28<sup>th</sup> May, 2022, 29<sup>th</sup> June, 2021 & 31<sup>st</sup> July, 2020 and respectively.

5. For the purpose of examination, we have relied on:

Auditor's report issued by us and previous Auditor's for the year ended 31<sup>st</sup> March 2020, 31<sup>st</sup> March 2021 & 31<sup>st</sup> March 2022 respectively as referred in Paragraph 4 above.

**Emphasis of Matters:**

- a) Attention is invited to Note No. 19 of Financial Statement the fact that in the accompanying statement of financial results relating to Statutory Dues related to Provident Fund Rs 10.14 lakhs, GST Rs 43.67 lakhs and Profession Tax Rs 2.67 lakhs and TDS amounting to Rs 81.49 lakhs have become overdue and remained unpaid. Interest, penalty, if any in respect of the same has remained unascertained and unaccounted for.





- b) An eviction suite is filed against the company due to non-payment of lease rent in respect of the Mahim Division. As per Order dated 27th September, 2021 of the Small Causes Court Mumbai has directed the company to deposit arrears of rent. The total amount under the said order approximately accumulated to Rs 386 lakhs. However, the company has preferred an appeal against the aforesaid order. Pending the outcome, no provision for the said amount has been made.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC)1.

We have also examined the following other Restated financial information of the Company set out in the notes prepared by its management and approved by the Board of Directors of the Company for each of the years ended 31st March, 2022, 31st March, 2021 and 31st March, 2020:

- Note 1: Corporate Information  
Note 2: Statement of Significant Accounting Policies  
Note 3: Restated Statement of Share Capital  
Note 4 : Restated Statement of Property, Plant and Equipment  
Note 5 : Restated Statement of Capital Work-In-Progress  
Note 6 : Restated Statement Of Financial Asstes  
Note 7 : Restated Statement Of Inventories  
Note 8 : Restated Statement Of Trade Receivable  
Note 9 : Restated Statement Of Cash And Cash Equivalentants  
Note 10 : Restated Statement Of Other Financial Assets  
Note 11 : Restated Statement Of Other Current Assets  
Note 12 : Restated Statement Of Equity Share Capital  
Note 13 : Restated Statement Of Other Equity  
Note 14 : Restated Statement Of Financial Liabilities  
Note 15 : Restated Statement Of Non - Current  
Note 16 : Restated Statement Of Financial Liabilities  
Note 17 : Restated Statement Of Trade Payables  
Note 18 : Restated Statement Of Other Financial Liabilities  
Note 19 : Restated Statement Of Other Current Liabilities  
Note 20 : Restated Statement Of Current Provisions  
Note 21 : Contingent Liability  
Note 22 : Restated Statement Of Revenue From Operations  
Note 23 : Restated Statement Of Other Income  
Note 24 : Restated Statement Of Employee Benefits Expense  
Note 25 : Restated Statement Of Finance Costs  
Note 26 : Restated Statement Of Other Expenses  
Note 27: Disclosure of Related Party Transactions



Other Information

Accounting ratios

Capitalization Statement

According to the information and explanations given to us, and in our opinion, the Restated Ind AS Financial Statement of the Company as at and for the years ended 31st March 2022, 31st March, 2021 and 31st March, 2020, and the Restated Financial Statements accompanying this report, read with restated summary of significant accounting policies disclosed in Note 2 of the Restated Financial Statements have been prepared after making adjustments and regrouping as considered have been prepared in accordance with Section 62 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note.

7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited 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 Draft Letter of Offer to be filed with the Securities and Exchange Board of India, BSE Limited in connection with the proposed Right Issue. 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.

Yours Faithfully,

**For S.M. Gupta & Co  
Chartered Accountants  
FRN No.: 310015E**



*Neena Ramgarhia*

**Neena Ramgarhia  
Partner**

**Mem No.: 067157**

**Date: 22<sup>th</sup> August, 2022**

**Place: Mumbai**

**UDIN: 22067157APXABU7444**

## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

#### 1 Corporate Information

Scandent Imaging Limited ("the Company") is a listed entity incorporated under the provisions of the Indian Companies Act, 2013.

The address of its registered office at Plot No. A357, Road No. 26, Wagle Industrial Estate, MIDC, Thane West - 400604. It is primarily engaged in the business of Healthcare Services.

#### 2 Significant Accounting Policies

##### Basis of Preparation, measurement and significant accounting policies

##### 2.1 Basis of Preparation of Financial Statements

###### (i) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013 and presentation requirements of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

###### (ii) Basis of measurement

The financial statements have been prepared on a going concern basis and on accrual method of accounting. Historical cost is used in preparation of the financial statements except as otherwise mentioned in the policy.

###### (iii) Functional and presentation Currency

The financial statements are prepared in INR, which is the Company's functional currency.

###### (iv) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make judgement estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized prospectively.

##### Summary of significant accounting policies

##### 2.2 Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realized within twelve months after the reporting year other than for (i) above, or





## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle
- ii. It is held primarily for the purpose of trading
- iii. It is due to be settled within twelve months after the reporting year other than for (i) above, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

All other liabilities are classified as non-current.

### 2.3 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company categorizes assets and liabilities measured at fair value into one of three levels as follows:

- **Level 1 — Quoted (unadjusted)**

This hierarchy includes financial instruments measured using quoted prices.

- **Level 2**

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include the following:

- a) Quoted prices for similar assets or liabilities in active markets.
- b) Quoted prices for identical or similar assets or liabilities in markets that are not active.
- c) Inputs other than quoted prices that are observable for the asset or liability.
- d) Market – corroborated inputs.



## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

- **Level 3**

They are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

#### 2.4 Non-Current Assets Held for Sale

Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

#### 2.5 Property Plant and Equipment

Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

PPE are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of recoverable taxes) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees and borrowing costs for qualifying assets.

Significant Parts of an item of PPE (including major inspections) having different useful lives and material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is provided for on straight line method on the basis of useful life.

The useful life of property, plant and equipment are as follows:-

Asset Class	Useful Life in years
Vehicles	8
Plant & Machinery	13
Plant & Machinery (General)	15
Plant & Machinery (Equipment)	7



## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

Office Equipments	5
Computers & Printers	3
Air Conditioners	5
Furniture & Fixtures	10

On assets acquired on lease (including improvements to the leasehold premises), amortization has been provided for on Straight Line Method over the period of lease.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

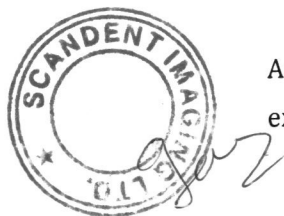
#### 2.6 Intangible Assets

Intangible assets are stated at cost (net of recoverable taxes) less accumulated amortization and impairment loss. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Depreciation on subsequent expenditure on intangible assets arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible



## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

#### Financial Instruments

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

#### 2.7 Financial Assets

##### Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories based on business model of the entity:

- **Financial Assets at Amortized Cost**

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect 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 on the principal amount outstanding.

- **Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial Assets and Equity Instruments at Fair Value Through Profit or Loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL.



## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

- **Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

- **Cash and Cash Equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

#### **Investments in Subsidiaries, Associates and Joint Ventures**

The Company does not have any subsidiaries, Associates and Joint Ventures during the reporting period.

#### **De-recognition**

A financial asset is de-recognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

#### **Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL), simplified model approach for measurement and recognition of Impairment loss on Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.



## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income / expense in the statement of Profit and Loss.

#### 2.8 Financial Liabilities

##### Classification as Debt or Equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Initial Recognition and Measurement

Financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss.

##### Subsequent Measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the statement of profit and loss.

- **Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting year. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

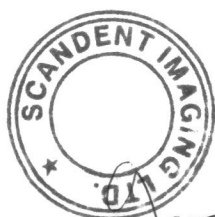
- **Loans and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

##### De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

##### Impairment of Non-Financial Assets



## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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 asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

#### 2.9 Revenue Recognition

- **Sale of Services**

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.

- **Interest income**

Interest income from a financial asset is recognized using effective interest rate method.

#### 2.10 CENVAT / Value Added Tax / Goods and Service Tax

CENVAT / Value Added Tax / Goods and Service Tax benefit is accounted for by reducing the purchase cost of the materials/fixed assets/services.



## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

#### 2.11 Leases

##### *As a Lessee*

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

##### *As a Lessor*

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

#### 2.12 Foreign Currency Transactions

The functional currency of the Company is Indian Rupees which represents the currency of the economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the functional currency spot rate of exchange at the reporting date.

Any income or expense on account of exchange difference between the date of transaction and on settlement or on translation is recognized in the profit and loss account as income or expense.

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on such assets and liabilities carried at fair value are reported as part of fair value gain or loss.

#### 2.13 Employee Benefits

##### **Short term Employee Benefits:-**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.





## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

#### Long-Term Employee Benefits

Compensated expenses which are not expected to occur within twelve months after the end of year in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

#### Post-employment Obligations

##### Defined Contribution Plans

Provident fund benefit is a defined contribution plan under which the Company pays fixed contributions into funds established under the Employee's Provident funds and Miscellaneous Provisions Act, 1952. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The contribution paid/payable under the schemes, is recognized during the period in which the employee renders the related service.

##### Defined Benefit Plans

##### Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Indian Accounting Standard 19 (revised), "Employee Benefits ". The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Gratuity is recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. These are accounted either as current employee cost or included in cost of assets as permitted.

##### Leave Encashment

As per the Company's policy, leave earned during the year do not carry forward, they lapse if the current period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement during service.



## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

#### Termination benefits

Termination benefits are recognized as an expense in the year in which they are incurred.

#### 2.14 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 2.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

#### 2.16 Cash Flow Statement

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing activities of the Company are segregated.

#### 2.17 Earnings Per Share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of



## SCANDENT IMAGING LIMITED

### Notes to the Financial Statements

equity shares that could have been issued upon conversion of all dilutive potential equity shares.

#### 2.18 Income Taxes

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets / (liabilities) in relation to the year ended

In view of losses and unabsorbed depreciation, in the opinion of the Management considering the grounds of prudence, deferred tax assets is recognized to the extent of deferred tax liabilities and balance deferred tax assets have not been recognized in the books of account.

#### Critical Accounting Estimates and Judgments

The preparation of restated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

1. Useful life of tangible asset Note No. 2.5
2. Useful life of intangible asset Note No. 2.6
3. Impairment of financial assets refer Note No. 2.7
4. Impairment of non – financial assets refer Note No. 2.8
5. Provisions, Contingent Liabilities and Contingent Assets refer Note No. 2.15

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



**SCANDENT IMAGING LIMITED**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

₹ In Lakhs

PARTICULARS	Note No.	As at Mar 31, 2022	As at Mar 31, 2021	As at Mar 31, 2020
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
(1) (a) Property, Plant and Equipment	4	681.87	801.17	952.49
(b) Capital Work-In-Progress	5	9.27	9.27	3.70
(c) Financial Assets				
(i) Others	6	122.05	119.99	119.36
<b>TOTAL NON-CURRENT ASSETS</b>		<b>813.19</b>	<b>930.43</b>	<b>1,075.55</b>
<b>CURRENT ASSETS</b>				
(2) (a) Inventories	7	15.19	30.28	29.20
(b) Financial Assets				
(i) Trade Receivable	8	2,145.66	903.16	409.09
(ii) Cash and Cash Equivalents	9	20.54	43.80	161.20
(iii) Other Financial Assets	10	839.37	51.10	26.30
(c) Other Current Assets	11	160.23	78.95	11.63
<b>TOTAL CURRENT ASSETS</b>		<b>3,180.99</b>	<b>1,107.29</b>	<b>637.42</b>
<b>TOTAL - ASSETS</b>		<b>3,994.18</b>	<b>2,037.72</b>	<b>1,712.97</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	12	3,210.00	3,210.00	3,210.00
(b) Other Equity	13	(1,786.03)	(2,302.77)	(2,708.75)
<b>TOTAL - EQUITY</b>		<b>1,423.97</b>	<b>907.23</b>	<b>501.25</b>
<b>LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES</b>				
(1) (a) Financial Liabilities				
(i) Borrowings	14	217.81	431.53	671.53
(b) Provisions	15	353.25	165.37	5.18
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>571.07</b>	<b>596.90</b>	<b>676.71</b>
<b>CURRENT LIABILITIES</b>				
(2) (a) Financial Liabilities				
(i) Borrowings	16	217.04	117.51	281.04
(ii) Trade Payables	17	1,535.07	216.31	190.45
(iii) Other Financial Liabilities	18	110.58	95.06	25.74
(b) Other Current Liabilities	19	135.23	104.02	37.29
(c) Provisions	20	1.23	0.69	0.50
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,999.14</b>	<b>533.60</b>	<b>535.01</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>3,994.18</b>	<b>2,037.72</b>	<b>1,712.97</b>

Note: The above statement should be read with the summary statement of significant accounting policies Restated Statement of Profit and Loss, Restated Statement of Cash Flows, Restated Statement Changes in Equity appearing in accompanying notes.

As per our report of even date

**For S. M Gupta & Co.**  
Chartered Accountants  
Firm Reg. No. 310015E

**Neena Ramgarhia**  
Partner  
Membership No. 067157



**For and on behalf of the board of Directors  
of Scandent Imaging Limited**

**Pandoo Naig**  
Managing Director  
DIN No. 00158221

**Rajnish Kumar Pandey**  
Director  
DIN No. 01096119

**Gautam Mohan Deshpande**  
Chief Executive Officer

**Amit Tyagi**  
Chief Financial Officer

**Sapna Vaishnav**  
Company Secretary

Place : Mumbai  
Date : 22 Aug 2022

Place : Thane Date : 22 Aug 2022



**SCANDENT IMAGING LIMITED**  
**RESTATED STATEMENT OF PROFIT AND LOSS**

₹ In Lakhs

Particulars	Note No.	Year ended Mar 31, 2022	Year ended Mar 31, 2021	Year ended Mar 31, 2020
<b>REVENUE</b>				
Revenue from Operations	22	4,206.52	3,535.50	1,324.60
Other Income	23	31.33	1.77	1.65
<b>TOTAL REVENUE</b>		<b>4,237.85</b>	<b>3,537.27</b>	<b>1,326.25</b>
<b>EXPENSES</b>				
Purchase of Stock-In-Trade		1,449.56	372.87	82.46
Changes in inventories of finished goods, work-in-progress and stock-in-trade		15.08	(1.08)	(10.54)
Employee Benefits Expense	24	371.98	346.05	272.73
Finance Costs	25	42.68	78.47	82.87
Depreciation and Amortisation Expense	4	143.70	141.60	127.63
Other Expenses	26	1,508.49	2,034.16	767.24
<b>TOTAL EXPENSES</b>		<b>3,531.49</b>	<b>2,972.06</b>	<b>1,322.40</b>
<b>Profit / (Loss) before Exceptional Items and tax</b>		<b>706.36</b>	<b>565.21</b>	<b>3.85</b>
Exceptional Items		-	-	-
<b>Profit / (Loss) before Tax</b>		<b>706.36</b>	<b>565.21</b>	<b>3.85</b>
<b>Tax Expense</b>				
(a) Current Tax		186.48	157.79	1.00
(b) Deferred Tax Credit / (Charge)		-	-	-
(c) Earlier Year		-	-	-
<b>Profit / (Loss) for the year</b>		<b>519.88</b>	<b>407.42</b>	<b>2.85</b>
<b>Other Comprehensive income</b>				
(a) (i) Items that will not be reclassified to Profit or Loss				
Re-measurement of defined benefit plans		(3.12)	(1.43)	0.94
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
(b) (i) Items that will be reclassified to Profit or Loss		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
<b>Total Other Comprehensive income for the year</b>		<b>(3.12)</b>	<b>(1.43)</b>	<b>0.94</b>
<b>Total Comprehensive income / (loss) for the year</b>		<b>516.76</b>	<b>405.99</b>	<b>3.79</b>
<b>Earnings per equity share</b>				
Basic and Diluted		1.62	1.27	0.01

Note: The above statement should be read with the summary statement of significant accounting policies Restated Statement of Profit and Loss, Restated Statement of Cash Flows, Restated Statement Changes in Equity appearing in accompanying notes.

As per our report of even date

**For S. M Gupta & Co.**  
Chartered Accountants  
Firm Reg. No. 310015E

*Neena Ramgarhia*  
**Neena Ramgarhia**  
Partner  
Membership No. 067157



**For and on behalf of the board of Directors  
of Scandent Imaging Limited**

*Jay*

**Pandoo Naig**  
Managing Director  
DIN No. 00158221

*Rajnish*  
**Rajnish Kumar Pandey**  
Director  
DIN No. 01096119

*Gautam*  
**Gautam Mohan Deshpande**  
Chief Executive Officer

*Ankit*  
**Ankit Tyagi**  
Chief Financial Officer

*Sapna*  
**Sapna Vaishnav**  
Company Secretary

Place : Mumbai  
Date : 22 Aug 2022

Place : Thane Date : 22 Aug 2022



**SCANDENT IMAGING LIMITED**  
**RESTATED STATEMENT OF CASH FLOWS**

₹ In Lakhs

Particulars	Year ended Mar 31, 2022	Year ended Mar 31, 2021	Year ended Mar 31, 2020
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
<b>Net Profit / (Loss) before tax and extraordinary items</b>	<b>706.36</b>	<b>565.20</b>	<b>3.85</b>
<b>Adjustments for:</b>			
Depreciation and Amortisation Expense	143.70	141.60	127.63
Loss on Sale of Fixed Assets	0.71	30.07	14.32
Interest Paid	42.68	78.47	82.87
<b>Operating Profit / (Loss) before working capital changes</b>	<b>893.45</b>	<b>815.34</b>	<b>228.67</b>
<b>Adjustments for:</b>			
(Increase) / Decrease in Trade Receivables	(1,242.49)	(494.07)	(158.29)
(Increase) / Decrease in Other Financial Assets	(790.33)	(25.44)	44.06
(Increase) / Decrease in Inventories	15.08	(1.08)	(10.54)
(Increase) / Decrease in Other Current Assets	(81.27)	(67.32)	(2.44)
Increase / (Decrease) in Other Current Liabilities	31.21	66.48	(14.89)
Increase / (Decrease) in Provisions	185.30	158.96	0.48
Increase / (Decrease) in Trade Payables	1,318.76	25.86	(44.44)
Increase / (Decrease) in Other Financial Liabilities	15.51	69.33	(4.87)
<b>Cash generated from / used in operations</b>	<b>345.22</b>	<b>548.06</b>	<b>37.74</b>
Direct Taxes paid (net of refunds received)	(186.48)	(157.79)	(1.00)
Extraordinary items	-	-	-
<b>Net cash from / (used in) operating activities [A]</b>	<b>158.73</b>	<b>390.27</b>	<b>36.74</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>			
Purchase of Property, Plant and equipment	(33.51)	(77.74)	(284.84)
Proceeds from Sale of fixed assets	8.40	51.81	52.77
<b>Net cash (used in) / from investing activities [B]</b>	<b>(25.11)</b>	<b>(25.93)</b>	<b>(232.07)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>			
Proceeds from Borrowings	(114.18)	(403.28)	392.56
Interest Paid	(42.68)	(78.47)	(82.87)
<b>Net cash from financing activities [C]</b>	<b>(156.87)</b>	<b>(481.75)</b>	<b>309.69</b>
<b>Net Increase in Cash and Cash Equivalents [A+B+C]</b>	<b>(23.25)</b>	<b>(117.40)</b>	<b>114.36</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>43.80</b>	<b>161.20</b>	<b>46.84</b>
<b>Cash and Cash Equivalents at th end of the year</b>	<b>20.54</b>	<b>43.80</b>	<b>161.20</b>

Note: The above statement should be read with the summary statement of significant accounting policies Restated Statement of Profit and Loss, Restated Statement of Cash Flows, Restated Statement Changes in Equity appearing in accompanying notes.

Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act, 2013. Previous years figures have been regrouped/rearranged/recasted wherever necessary to make them comparable with those of current year.

As per our report of even date

For **S. M Gupta & Co.**  
Chartered Accountants  
Firm Reg. No. 310015E

*Neena Ramgarhia*  
**Neena Ramgarhia**  
Partner  
Membership No. 067157



**For and on behalf of the board of Directors  
of Scandent Imaging Limited**

*Jay*  
**Pandoo Naig**  
Managing Director  
DIN No. 00158224

*Rajnish*  
**Rajnish Kumar Pandey**  
Director  
DIN No. 01096119

*Gautam Mohan Deshpande*  
**Gautam Mohan Deshpande**  
Chief Executive Officer

*Amit Tyagi*  
**Amit Tyagi**  
Chief Financial Officer  
Place : Thane Date : 22 Aug 2022

*Sapna Vaishnav*  
**Sapna Vaishnav**  
Company Secretary

Place : Mumbai  
Date : 22 Aug 2022



**SCANDENT IMAGING LIMITED**  
3. Restated Statement of Share Capital

₹ In Lakhs

A) Equity Share Capital	
Particulars	Amount
As at March 31, 2020	3,210.00
Changes in equity share capital	-
As at March 31, 2021	3,210.00
Changes in equity share capital	-
As at March 31, 2022	3,210.00

Particulars	Reserve and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
As at March 31, 2020	7.50	(2,716.25)	(2,708.75)
Profit for the year	-	407.41	407.41
Other comprehensive income for the year - Re-measurement of defined benefit plans	-	(1.43)	(1.43)
As at March 31, 2021	7.50	(2,310.27)	(2,302.77)
Profit for the year	-	519.88	519.88
Other comprehensive income for the year - Re-measurement of defined benefit plans	-	(3.12)	(3.12)
As at March 31, 2022	7.50	(1,793.53)	(1,786.03)

The Description of the nature and purpose of each reserve within equity is as follows:

**Securities Premium Reserve:**

Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc

As per our report of even date

For and on behalf of the board of Directors  
of Scandent Imaging Limited

For S. M Gupta & Co.  
Chartered Accountants  
Firm Reg. No. 310015E

*Neena Ramgarhia*  
**Neena Ramgarhia**  
Partner  
Membership No. 067157



*Pandoo Naig*  
**Pandoo Naig**  
Managing Director  
DIN No. 00158221

*Rajnish Kumar Pandey*  
**Rajnish Kumar Pandey**  
Director  
DIN No. 01096119

*Gautam Mohan Deshpande*  
**Gautam Mohan Deshpande**  
Chief Executive Officer

*Amit Tyagi*  
**Amit Tyagi**  
Chief Financial Officer

*Sapna Vaishnav*  
**Sapna Vaishnav**  
Company Secretary

Place : Mumbai  
Date : 22 Aug 2022

Place : Thane Date : 22 Aug 2022





SCANDENT IMAGING LIMITED

NON - CURRENT ASSETS

4. Restated Statement of Property, Plant and Equipment

₹ In Lakhs

Particulars	Leasehold Improvements	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Computers & Printers	Air Conditioners	WIP OT Complex	Ventilator	Total
<b>Gross carrying value as at March 31, 2019</b>	<b>164.41</b>	<b>753.49</b>	<b>41.38</b>	<b>55.12</b>	<b>12.00</b>	<b>8.89</b>	<b>0.74</b>	<b>23.70</b>	-	<b>1,059.73</b>
Additions	-	227.09	1.03	59.71	0.70	1.24	-	-	-	289.77
Deletions	-	38.21	0.38	29.76	1.49	0.34	-	-	-	70.18
<b>Gross carrying value as at March 31, 2020</b>	<b>164.41</b>	<b>942.37</b>	<b>42.04</b>	<b>85.07</b>	<b>11.21</b>	<b>9.79</b>	<b>0.74</b>	<b>23.70</b>	-	<b>1,279.32</b>
Additions	-	14.94	0.79	27.44	4.95	6.35	1.36	-	16.36	72.17
Deletions	-	74.67	2.41	-	-	-	-	-	-	77.08
<b>Gross carrying value as at March 31, 2021</b>	<b>164.41</b>	<b>882.64</b>	<b>40.42</b>	<b>112.51</b>	<b>16.15</b>	<b>16.13</b>	<b>2.09</b>	<b>23.70</b>	<b>16.36</b>	<b>1,274.41</b>
Additions	-	28.99	1.13	-	1.88	0.55	0.97	-	-	33.51
Deletions	-	15.00	-	-	-	1.38	-	-	-	16.38
<b>Gross carrying value as at March 31, 2022</b>	<b>164.41</b>	<b>896.63</b>	<b>41.54</b>	<b>112.51</b>	<b>18.03</b>	<b>15.30</b>	<b>3.06</b>	<b>23.70</b>	<b>16.36</b>	<b>1,291.54</b>

<b>Accumulated depreciation as at March 31, 2019</b>	<b>18.34</b>	<b>155.93</b>	<b>5.55</b>	<b>11.87</b>	<b>2.02</b>	<b>4.34</b>	<b>0.44</b>	<b>0.70</b>	-	<b>199.20</b>
Depreciation for the year	32.88	74.08	4.97	8.56	2.25	1.94	0.12	2.81	-	127.63
Accumulated depreciation on deletion	-	-	-	-	-	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2020</b>	<b>51.22</b>	<b>230.01</b>	<b>10.53</b>	<b>20.43</b>	<b>4.28</b>	<b>6.29</b>	<b>0.56</b>	<b>3.52</b>	-	<b>326.83</b>
Depreciation for the year	32.88	84.09	4.95	9.65	2.39	3.12	0.24	2.81	1.46	141.60
Accumulated depreciation on deletion	-	4.54	0.27	-	-	-	-	-	-	4.81
<b>Accumulated depreciation as at March 31, 2021</b>	<b>84.10</b>	<b>318.64</b>	<b>15.75</b>	<b>30.08</b>	<b>6.67</b>	<b>9.40</b>	<b>0.80</b>	<b>6.33</b>	<b>1.46</b>	<b>473.24</b>
Depreciation for the year	32.88	82.36	4.51	11.84	3.16	2.77	0.41	2.81	3.11	143.86
Accumulated depreciation on deletion	-	6.11	-	-	-	1.16	-	-	-	7.27
<b>Accumulated depreciation as at March 31, 2022</b>	<b>116.98</b>	<b>394.90</b>	<b>20.25</b>	<b>41.92</b>	<b>9.82</b>	<b>11.02</b>	<b>1.22</b>	<b>9.15</b>	<b>4.57</b>	<b>609.83</b>

Carrying Value as at March 31, 2020	113.19	712.36	31.51	64.64	6.93	3.50	0.17	20.18	-	952.49
Carrying Value as at March 31, 2021	80.31	560.75	24.67	82.62	11.48	7.73	1.29	17.37	14.89	801.17
Carrying Value as at March 31, 2022	47.43	501.73	21.29	70.59	8.20	4.29	1.84	14.55	11.79	681.87

5. Restated Statement of Capital Work-In-Progress

Particulars	< 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2020	3.70	-	-	-	3.70
As at March 31, 2021	5.57	3.70	-	-	9.27
As at March 31, 2022	-	5.57	3.70	-	9.27





## SCANDENT IMAGING LIMITED

₹ In Lakhs

	PARTICULARS	As at Mar 31, 2022	As at Mar 31, 2021	As at Mar 31, 2020
6	<b>RESTATED STATEMENT OF FINANCIAL ASSETS - OTHERS</b>			
	Deposits for Rented Premises	120.99	118.93	119.36
	Other Deposits	1.06	1.06	
	<b>Total</b>	<b>122.05</b>	<b>119.99</b>	<b>119.36</b>
7	<b>RESTATED STATEMENT OF INVENTORIES</b>			
	Medicines (Consumable)	15.19	30.28	29.20
	<b>Total</b>	<b>15.19</b>	<b>30.28</b>	<b>29.20</b>
8	<b>RESTATED STATEMENT OF TRADE RECEIVABLE</b>			
	<b>Unsecured</b>			
	Considered Good	2,145.66	903.16	409.09
		<b>2,145.66</b>	<b>903.16</b>	<b>409.09</b>
	Less : Expected credit losses	-	-	-
	<b>Total</b>	<b>2,145.66</b>	<b>903.16</b>	<b>409.09</b>
	<b>Trade receivables ageing schedule</b>			
	Outstanding for the following period from due date of payments undisputed			
	Not Due	-	-	-
	Less than 6 months	110.16	227.66	108.99
	6 months-1 years	1,960.00	675.50	300.10
	1-2 years	75.50	-	-
	2-3 years	-	-	-
	More than 3 years	-	-	-
	<b>Total</b>	<b>2,145.66</b>	<b>903.16</b>	<b>409.09</b>
9	<b>RESTATED STATEMENT OF CASH AND CASH EQUIVALANTS</b>			
	<b>Balances with Banks</b>			
	In Current Accounts	16.13	33.00	130.65
	Cash on hand	4.42	10.80	30.55
	<b>Total</b>	<b>20.54</b>	<b>43.80</b>	<b>161.20</b>
10	<b>RESTATED STATEMENT OF OTHER FINANCIAL ASSETS</b>			
	<b>Others loans and advances</b>			
	Unsecured, Considered Good			
	Inter Corporate loan to related parties	803.67	-	-
	Advance to Staff	1.38	0.23	-
	Advance to Others	34.32	50.87	26.30
	<b>Total</b>	<b>839.37</b>	<b>51.10</b>	<b>26.30</b>
11	<b>RESTATED STATEMENT OF OTHER CURRENT ASSETS</b>			
	FD Interest Receivable	-	0.83	0.56
	Prepaid Expenses	5.28	6.13	1.46
	TDS Receivables	154.95	71.99	9.61
	<b>Total</b>	<b>160.23</b>	<b>78.95</b>	<b>11.63</b>



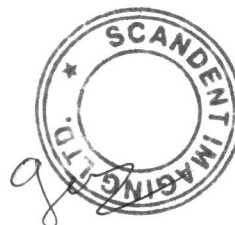
SCANDENT IMAGING LIMITED

₹ In Lakhs

12	RESTATED STATEMENT OF EQUITY SHARE CAPITAL	As at		As at				
		Mar 31, 2022		Mar 31, 2021				
	<b>Authorised</b>							
	33,500,000 (Previous year 33,500,000) Equity Shares of ₹ 10/- each	3,350.00	3,350.00	3,350.00				
	<b>Total</b>	<b>3,350.00</b>	<b>3,350.00</b>	<b>3,350.00</b>				
	<b>Issued, Subscribed and Paid-up</b>							
	<b>Equity Shares</b>							
	32,100,000 (Previous year 32,100,000) Equity Shares of ₹ 10/- each fully paid up	3,210.00	3,210.00	3,210.00				
	<b>Total</b>	<b>3,210.00</b>	<b>3,210.00</b>	<b>3,210.00</b>				
12.1	<b>Reconciliation of Shares</b>	<b>As At March 31, 2022</b>		<b>As at March 31, 2021</b>		<b>As at March 31, 2020</b>		
		<b>Numbers</b>		<b>Numbers</b>		<b>Numbers</b>		
		<b>At the beginning of the year</b>	321.00	3,210.00	321.00	3,210.00	321.00	3,210.00
		<b>Issued during the year</b>	-	-	-	-	-	-
	<b>Outstanding at the end of the year</b>	<b>321.00</b>	<b>3,210.00</b>	<b>321.00</b>	<b>3,210.00</b>	<b>321.00</b>	<b>3,210.00</b>	
12.2	<b>Details of Shareholders holding more than 5% shares in the Company</b>	<b>As At March 31, 2022</b>		<b>As at March 31, 2021</b>		<b>As at March 31, 2020</b>		
		<b>Numbers</b>	<b>%</b>	<b>Numbers</b>	<b>%</b>	<b>Numbers</b>	<b>%</b>	
		a. Gautam Deshpande	162.84	50.73%	164.47	51.24%	164.47	51.24%
		b. Shree Balaji Enterprises through Partner Nanda D. Bangar	53.28	16.60%	68.64	21.38%	68.64	21.38%
		c. Pramod Mangilal Dave	-	-	22.93	7.14%	-	-
d. Sareen Enterprises through Partner Tarapada B. Panda	-	-	-	-	38.83	12.10%		
12.3	<b>Details of shareholdings by the Promoter/ Promoter Group</b>	<b>As At March 31, 2022</b>		<b>As at March 31, 2021</b>		<b>As At March 31, 2020</b>		
		<b>Numbers</b>	<b>%</b>	<b>Numbers</b>	<b>%</b>	<b>Numbers</b>	<b>%</b>	
		a. Gautam Deshpande	162.84	50.73%	164.47	51.24%	164.47	51.24%
12.4	<b>Rights, Preferences and Restrictions attaching to each class of shares</b>							
	<b>Equity Shares having a face value of ₹ 10</b>							
	a	As to Dividend: - The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the year.						
b	<b>As to Repayment of Capital: -</b> In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion of the number of shares held by the shareholders.							
c	<b>As to Voting: -</b> The Company has only one class of shares referred to as equity shares having a face value of ₹ 10. Each holder of the equity share is entitled to one vote per share.							



PARTICULARS		As at Mar 31, 2022	As at Mar 31, 2021	As at Mar 31, 2020
<b>13</b>	<b>RESTATED STATEMENT OF OTHER EQUITY</b>			
(i)	Securities Premium Reserve	7.50	7.50	7.50
(ii)	Retained earnings	(1,793.53)	(2,310.27)	(2,716.25)
	<b>Total Other Equity</b>	<b>(1,786.03)</b>	<b>(2,302.77)</b>	<b>(2,708.75)</b>
(i)	Securities Premium Reserve Opening balance	7.50	7.50	7.50
	Increase/(decrease) during the year	-	-	-
	<b>Closing balance</b>	<b>7.50</b>	<b>7.50</b>	<b>7.50</b>
(ii)	Retained earnings Opening balance	(2,310.27)	(2,716.25)	(2,720.04)
	Net profit/(loss) for the year	519.88	407.41	2.85
	Items of other comprehensive income recognised directly in retained earnings			
	Remeasurement of Defined benefit plans	(3.12)	(1.43)	0.94
	Transfer in equity	-	-	-
	<b>Closing balance</b>	<b>(1,793.53)</b>	<b>(2,310.27)</b>	<b>(2,716.25)</b>
<b>14</b>	<b>RESTATED STATEMENT OF FINANCIAL LIABILITIES - BORROWINGS</b>			
	<b>Secured</b>			
	Loan Repayable on Demand HDFC Bank Ltd. Secured by way of hypothecation of Vehicle Hero FinCorp.	40.87	49.62	47.72
	Secured by way of hypothecation of Machine	122.03	155.16	
	<b>Unsecured</b>			
	Loan Repayable on Demand From Related Party	20.98	201.75	489.55
	From Others	33.93	25.00	134.25
	<b>Total</b>	<b>217.81</b>	<b>431.53</b>	<b>671.53</b>
<b>15</b>	<b>RESTATED STATEMENT OF NON - CURRENT PROVISIONS</b>			
	Provision for Gratuity	13.99	7.66	4.18
	Provision for Income Tax	339.27	157.71	1.00
	<b>Total</b>	<b>353.25</b>	<b>165.37</b>	<b>5.18</b>
<b>16</b>	<b>RESTATED STATEMENT OF FINANCIAL LIABILITIES - BORROWINGS</b>			
<b>A.</b>	<b>Secured</b>			
	Loan Repayable on Demand Indian Bank Secured by way of hypothecation of Vehicle	35.42	16.62	-
	Secured by way of hypothecation of Machine	181.61	50.88	205.26
		<b>217.04</b>	<b>67.51</b>	<b>205.26</b>
<b>B.</b>	<b>Unsecured</b>			
	Loan Repayable on Demand From Others	-	50.00	75.78
		-	<b>50.00</b>	<b>75.78</b>
	<b>Total - (A+B)</b>	<b>217.04</b>	<b>117.51</b>	<b>281.04</b>



PARTICULARS		As at Mar 31, 2022	As at Mar 31, 2021	As at Mar 31, 2020
<b>17</b>	<b>RESTATED STATEMENT OF TRADE PAYABLES</b>			
	*Due to Micro, Small and Medium Enterprises	3.52	1.19	3.00
	Due to creditors other than Micro Enterprises and Small Enterprises	1,531.55	215.12	187.45
	<b>Total</b>	<b>1,535.07</b>	<b>216.31</b>	<b>190.45</b>
	<b>Trade payables ageing schedule</b>			
	Outstanding for the following period from due date of payments undisputed			
	<b>Dues to MSME</b>			
	Not Due	-	-	-
	Less than 1 year	3.52	1.19	3.00
	1-2 years	-	-	-
	2-3 years	-	-	-
	More than 3 years	-	-	-
	<b>Total</b>	<b>3.52</b>	<b>1.19</b>	<b>3.00</b>
	<b>Others</b>			
	Not Due	-	-	-
	Less than 1 year	1,411.48	177.19	187.45
	1-2 years	29.85	37.93	-
	2-3 years	90.21	-	-
	More than 3 years	-	-	-
	<b>Total</b>	<b>1,531.55</b>	<b>215.12</b>	<b>187.45</b>
<b>18</b>	<b>RESTATED STATEMENT OF OTHER FINANCIAL LIABILITIES</b>			
	Salary Payable	27.51	29.66	18.27
	Other Payable	15.35	5.95	5.94
	Provision For Expenses	67.72	59.46	1.52
	<b>Total</b>	<b>110.58</b>	<b>95.06</b>	<b>25.74</b>
<b>19</b>	<b>RESTATED STATEMENT OF OTHER CURRENT LIABILITIES</b>			
	Statutory Dues	133.33	102.40	36.04
	(During the year net of GST Input credit of ₹ 4.64 Lakhs)			
	Others payable	1.90	1.62	1.25
	<b>Total</b>	<b>135.23</b>	<b>104.02</b>	<b>37.29</b>
<b>20</b>	<b>RESTATED STATEMENT OF CURRENT PROVISIONS</b>			
	Provision for Gratuity	1.23	0.69	0.50
	<b>Total</b>	<b>1.23</b>	<b>0.69</b>	<b>0.50</b>
<b>21</b>	<b>CONTINGENT LIABILITY</b>			
	Notes: The Company has pending cases that may require payment on a future date on the occasion of the order against the company but we have not considered it as a contingent liability because it's an interim order and the company has appealed against it. Further, company in opinion our legal team and external legal consultant it is very unlikely that any liability on this account accrues hence we have not labeled it as a contingent liability			



## SCANDENT IMAGING LIMITED

₹ In Lakhs

PARTICULARS		Year ended Mar 31, 2022	Year ended Mar 31, 2021	Year ended Mar 31, 2020
<b>22</b>	<b>RESTATED STATEMENT OF REVENUE FROM OPERATIONS</b>			
	Sale of Services			
	Healthcare Services	4,206.52	3,535.50	1,324.60
	<b>Total</b>	<b>4,206.52</b>	<b>3,535.50</b>	<b>1,324.60</b>
<b>23</b>	<b>RESTATED STATEMENT OF OTHER INCOME</b>			
	Interest on Fixed Deposit	0.14	0.27	0.25
	Interest Income	7.95	-	0.85
	Miscellaneous Income	23.24	1.51	0.55
	<b>Total</b>	<b>31.33</b>	<b>1.77</b>	<b>1.65</b>
<b>24</b>	<b>RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSE</b>			
	Salary, Wages and Other Benefits	364.87	339.88	262.70
	Contribution to Provident Fund	6.16	4.62	7.18
	Staff Welfare Expenses	0.96	1.56	2.85
	<b>Total</b>	<b>371.98</b>	<b>346.05</b>	<b>272.73</b>
<b>25</b>	<b>RESTATED STATEMENT OF FINANCE COSTS</b>			
	Interest on Bank	20.18	22.14	11.46
	Interest on Others	22.51	56.33	71.41
	<b>Total</b>	<b>42.68</b>	<b>78.47</b>	<b>82.87</b>
<b>26</b>	<b>RESTATED STATEMENT OF OTHER EXPENSES</b>			
	Advertisement Expenses	15.56	5.48	7.02
	Bad Debts	6.63	6.25	-
	Bank Charges	7.15	4.67	1.58
	Brokerage Expenses	0.38	1.33	0.39
	Business Promotion	15.06	9.28	8.36
	Canteen Expenses	32.30	57.75	15.81
	Computer Expenses	3.56	4.94	6.69
	Communication Expenses	5.10	4.57	1.55
	Directors Sitting Fees	2.10	1.50	1.65
	Hospital Expenses	277.52	330.57	36.82
	Diagnostic Expenses	19.80	6.07	7.69
	Hospital Consumable	38.27	49.30	31.68
	Medical Oxygen Expenses	93.14	64.99	9.26
	Pathology Charges	27.23	43.00	25.69
	Housekeeping Expenses	35.24	76.99	25.73
	Insurance Charges	3.15	1.19	2.43
	Membership & Subscription	6.17	6.13	5.86
	Printing and Stationery	16.35	11.16	14.89
	Repairs to Building	3.17	4.29	8.10
	Repairs to Machine	7.34	2.94	3.41
	Repairs to Others	30.21	17.74	3.29
	Office Rent	63.23	35.65	47.03
	Office Expenses	122.52	335.73	129.01
	Power & Fuel	49.53	52.54	51.27
	Postage & Stamp Paper	1.12	3.32	5.98
	Professional Fees	415.00	569.20	243.55
	Security Charges	8.65	8.44	11.11
	Refund to Patients	125.92	218.84	2.97
	Water Charges	14.84	27.74	7.88
	Rates and Taxes	1.03	0.82	1.57
	Remuneration to Auditors	2.00	1.50	1.50
	Travelling and Conveyance	22.17	16.30	15.09
	Loss on Sale of Fixed Assets	0.71	30.07	14.32
	Miscellaneous Expenses	36.35	23.84	18.06
	<b>Total</b>	<b>1,508.49</b>	<b>2,034.16</b>	<b>767.24</b>



Note 27. Disclosure of Related Party Transactions:

(₹ in Lakh)

List of Related Parties on Board and Key Managerial Person and nature & value of transactions with them:

Name	Nature of Relation	Nature	FY 2021-22	FY 2020-21	FY 2019-20
Rajnish Kumar Pandey	Director	Sitting Fees	0.60	0.60	0.60
D C Parikh	Director	Sitting Fees	0.60	0.30	0.00
Vaishali Sood Sharma	Director	Sitting Fees	0.60	0.00	0.00
Rajeev Singh	Director	Sitting Fees	0.30	0.00	0.00
Gaurav Goya	Director	Sitting Fees	0.00	0.30	0.00
V. S. Mohan	Director	Sitting Fees	0.00	0.15	0.45
Pratibha Walinjkar	Director	Sitting Fees	0.00	0.15	0.60
Amit Tyagi	CFO	Salary & Perquisites	6.90	5.95	5.89
Sheetal Musale	Company Secretary	Salary & Perquisites	3.80	3.04	0.00
Anushree Tekriwal	Company Secretary	Salary & Perquisites	0.00	0.00	5.08
Gautam Deshpande	CEO	Salary & Perquisites	18.00	34.50	12.00
Sowmya Deshpande	Sister of Managing Director	Salary & Perquisites	18.00	28.50	14.00

Outstanding Balance for related party

Name	Nature of Transaction	FY 2021-22	FY 2020-21	FY 2019-20
Gautam Deshpande	Loan	10.53	0.00	0.00
Sowmya Deshpande	Loan	10.45	0.00	0.00
Onelife Capital Advisors Ltd.	Loan	803.67	251.75	489.55



### Capitalisation statement

Capitalisation Statement showing total borrowings, total equity, and the borrowing/ equity ratios before and after the issue is made shall be incorporated. It shall be prepared on the basis of the restated CFS for the latest financial year or when applicable at the end of the period.

(i)

In case of any change in the share capital since the date as of which the financial information has been disclosed in the letter of offer, a note explaining the nature of the change shall be given.

(ii)

(iii)

An illustrative format of the Capitalisation Statement is specified hereunder

Particulars	Pre-issue at As at 31.03.2022	As adjusted for the proposed issue
(Rs in Lakhs)		
Total borrowings	434.85	-
Current borrowings*	217.04	-
Non-current borrowings (including current maturity)*	217.81	-
Total equity		
Equity share capital*	3,210.00	-
Other equity*	(1,786.03)	-
Total Capital	1,423.97	-
Ratio:		
Non-current borrowings/ Total equity	0.15	-

\*These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).



Ratios	2020-21	2019-20	As on March 31, 2022*	As on March 31, 2021
Revenue From Operations	3535.50	1324.60	4,206.52	3535.50
Profit After Tax as per Consolidated P&L Account* (₹ in Lakhs)	407.42	2.85	519.88	407.42
Weighted Average Number of Equity Shares at the end of the Year	321	321	321	321
Net Worth (₹ in Lakhs)	907.23	501.25	1423.97	907.23
Earnings Per Share				
Basic & Diluted	1.27	0.01	1.62	1.27
Return on Net Worth (%)	0.45	0.01	0.37	0.45
Net Asset Value Per Share (₹)	2.83	1.56	4.44	2.83
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00
Total Borrowing	549.04	952.57	434.85	549.04
EBITDA	565.21	3.85	706.36	565.21

Outstanding dues to small scale undertakings or any other creditors

As of March, 2022, we had totally Rs. 1535.07 Lakhs creditors and the aggregate amount outstanding to such creditors was ₹ 975.45 Lakhs.

The break-up of creditors on value basis was as under:

S. No.	Creditors	No. of Creditors	₹ In Lakhs
1	Outstanding to MSME	2.00	3.52
2	Others	332.00	1531.55
	Total	334.00	1535.07

Securities Premium Account as on March 31, 2022: ₹ 7.5Lakhs





## STOCK MARKET DATA FOR EQUITY SHARES

The Equity Shares of our Company are listed on the BSE. As our Equity Shares are listed only on the BSE, stock market data for our Equity Shares has been given for BSE.

For the purpose of this section:

- Year is a Financial Year;
- Average price is the average of the daily closing prices of the Equity Shares, for the year, or the month, or the week, as the case may be;
- High price is the maximum of the daily high prices and Low price is the minimum of the daily low prices of the Equity Shares, for the year, or the month, as the case may be.
- In case of 2 days with the same high / low / closing price, the date with higher volume has been considered.

### Stock Market Data of the Equity Shares (BSE)

The following table sets forth the high, low and average market price of the Equity Shares recorded on the BSE during the preceding 3 Fiscal and the number of the Equity Shares traded on the days when the high and low prices were recorded:

Fiscal	High (₹)	Date of High	Volume on date of high (No. of Equity Shares)	Total Volume on date of high (₹)	Low (₹)	Date of Low	Volume on date of low (No. of Equity Shares)	Total Volume on date of low (₹)	Average market price (₹)
2022	28.4	February 8, 2022	124,781	3,274,940	14	June 7, 2021	7,404	115,899	20.61
2021	17.8	February 5, 2021	4,552	74,730	5.4	August 27, 2020	1,154	6,340	10.9
2020	13.2	February 3, 2020	90	1,188	6.7	October 25, 2019	61	410	9.82

Source: [www.bseindia.com](http://www.bseindia.com)

The total number of Equity Shares traded on the BSE during the last 6 months was 49398797 Equity Shares. The total number of trading days on the BSE during the last 6 months was 124 days only. The average volume of Equity Shares traded on the BSE during the last 6 months was 398377.40 Equity Shares per day.

The high and low prices and volume of Equity Shares traded on the respective date on the BSE during the last 6 months preceding the date of filing of this Draft Letter of Offer are as follows:

Months	High (₹)	Date of High	Volume on date of high (No. of Equity Shares)	Total Volume on date of high (₹)	Low (₹)	Date of Low	Volume on date of low (No. of Equity Shares)	Total Volume on date of low (₹)	Average market price (₹)
October, 2022	16.9	October 6, 2022	2,05,204	33,80,655	11.9	October 19, 2022	1,78,497	21,96,478	14.91
September, 2022	26.65	September	27,83,223	7,40,27,658	16	September	2,34,788	39,29,832	20.03

Months	High (₹)	Date of High	Volume on date of high (No. of Equity Shares)	Total Volume on date of high (₹)	Low (₹)	Date of Low	Volume on date of low (No. of Equity Shares)	Total Volume on date of low (₹)	Average market price (₹)
		5, 2022				27, 2022			
August, 2022	26.05	August 5, 2022	8,54,209	2,14,12,585	18.50	August 24, 2022	4,07,418	78,43,447	21.35
July, 2022	58.15	July 4, 2022	1,601,397	93,082,815	22.65	July 29, 2022	219,243	4,965,853	38.39
June, 2022	52.8	June 30, 2022	1,438,187	75,899,667	21.15	June 1, 2022	1,378,597	30,738,880	34.5
May, 2022	22.25	May 5, 2022	56,848	1,172,289	16	May 26, 2022	12,348	205,428	19.15

Source: [www.bseindia.com](http://www.bseindia.com)

The Board has approved the Issue at their meeting held on June 29, 2022. The high and low prices of Equity Shares as quoted on the BSE on June 30, 2022, the day on which the trading in the Equity Shares happened immediately following the date of the Board meeting are as follows:

Date	Volume (No. of Equity Shares)	High Price (₹)	Low Price (₹)
June 30, 2022	1,438,187	52.80	52.65

Source: [www.bseindia.com](http://www.bseindia.com)

The closing market price of the Equity Shares as on November 07, 2022 i.e., one trading day prior to filing of this Draft Letter of Offer was ₹ 14.85 on the BSE. The Issue Price is ₹ [●] per Rights Equity Share.

**OTHER INFORMATION**  
**STATEMENT OF ACCOUNTING AND OTHER RATIOS**

Particulars	For the period ended June 30, 2022 <sup>^</sup>	F.Y. 2021-22 <sup>*</sup>	F.Y. 2020-21 <sup>*</sup>	F.Y. 2019-20 <sup>*</sup>
Revenue from Operations (₹ in Lakhs)	1124.35	4206.52	3535.50	1324.60
Profit After Tax as per Consolidated P&L Account (₹ in Lakhs)	130.25	519.88	407.42	2.85
Weighted Average Number of Equity Shares at the end of the Year	^	321	321	321
Net Worth (₹ in Lakhs)	^	1423.97	907.23	501.25
<b>Earnings Per Share</b>				
Basic & Diluted	0.41	1.62	1.27	0.01
<b>Return on Net Worth (%)</b>	^	0.37	0.45	0.01
<b>Net Asset Value Per Share (₹)</b>	^	4.44	2.83	1.56
Nominal Value per Equity share (₹)	^	10.00	10.00	10.00
Total Borrowing (₹ in Lakhs)	^	434.85	549.04	952.57
EBITDA (₹ in Lakhs)	^	706.36	565.21	3.85

<sup>^</sup> As per Limited Review financial results submitted to the Stock Exchange.

<sup>\*</sup> As per the Restated Financial Statements.

## CAPITALISATION STATEMENT

(₹ in Lakhs)

Particulars	Pre-issue as at 31.03.2022
<b>Total borrowings</b>	<b>434.85</b>
Current borrowings*	217.04
Non-current borrowings (including current maturity) *	217.81
<b>Total equity</b>	
Equity share capital*	3,210.00
Other equity*	(1,786.03)
<b>Total Capital</b>	<b>1,423.97</b>
<b>Ratio:</b>	
Non-current borrowings/ Total equity	0.15

\* These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).

Note: Post Issue Capitalisation will be determined post finalization of relevant parameters at the time of finalizing the final Letter of Offer.

## 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 the section titled “Restated Financial Statements” beginning on page 113 of this Draft Letter of Offer. Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read the section titled “Risk Factors” and the section titled “Forward Looking Statements” beginning on pages 22 and 15, respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*You should read the following discussion and analysis of our financial condition and results of operations together with the Financial Statements, including the significant accounting policies, notes thereto and reports thereon, which have been prepared in accordance with Companies Act and SEBI ICDR Regulations.*

*Our Financial Statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including IFRS. Accordingly, the degree to which Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader’s level of familiarity with Ind AS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Fiscal 2022 included herein is based on the Restated Financial Statements included in this Draft Letter of Offer. For further information, please see the sections titled “Presentation of Financial, Industry and Market Data” and “Restated Financial Statements” beginning on pages 17 and 113 respectively of this Draft Letter of Offer.*

### Overview

Our Company was originally incorporated as “Pharma Offset Limited”, a public limited company under the provision of the Companies Act, 1956 vide certificate of incorporation dated September 5, 1994. Subsequently, the name of our Company was changed to “Pharma Com (India) Limited”. The name of our Company was further changed to “Count N Denier (India) Limited” on March 27, 2012 vide a fresh certificate of incorporation pursuant upon change of name issued by the Register of Companies, Mumbai. Pursuant to acquisition of the majority equity shares and control by the existing promoter, the name of our Company was changed to “Scandent Imaging Limited” on March 17, 2015 vide a fresh certificate of incorporation pursuant upon change of name issued by the Deputy Register of Companies, Mumbai. Further the name of our Company was changed to its present name “Family Care Hospitals Limited” vide a fresh certificate of incorporation dated September 5, 2022, issued by the Register of Companies, Mumbai.

For further details, please see the sections titled “Restated Financial Statements”, “Our Promoter” and “Our Management” beginning on pages 113, 111 and 102 of this Draft Letter of Offer.

Our Company is currently operating a hospital under the brand name Family Care Hospitals at Mira Road, Thane and is currently operating 9 (Nine) Imaging centers across Mumbai region. These Imaging centers provide scanning solutions to the Dental and ENT doctor fraternity for investigating patient ENT and dental issues. We offer a broad range of health and wellness packages to our customers as per their requirements. We focus on a customer centric approach to enhance the overall quality of our services for optimal customer satisfaction. For convenience of our customers, we provide value-added services such as home collection of specimens, house calls and various delivery or access modes (i.e., at diagnostic centers, SMS, email, web and mobile portal) for test reports. Several factors, including the strength of our Company, integrated services model, quality of our diagnostic services, center infrastructure and customer experience, convenience of our operational network and home collection in our core geographies, which helps us in increasing and retaining our customers.

The key highlights of our financial and operating metrics from Fiscal 2020 to Fiscal 2022, and for the period ended June 30, 2022 are as set out in table as mentioned below:

*(₹ in Lakhs unless stated otherwise)*

Particulars	June 30, 2022	June 30, 2021	Fiscal 2022	Fiscal 2021	Fiscal 2020
Revenue from Operations	1124.35	1243.55	4,206.52	3,535.50	1,324.60
EBITDA	224.44	251.71	892.74	785.28	214.35
EBITDA Margin (%)	19.96%	20.24%	21.22%	22.21%	16.18%
Restated profit for the year	130.25	149.95	519.88	407.42	2.85
Restated profit for the year (PAT margin) (%)	11.58%	12.06%	12.36%	11.52%	0.22%
Capital employed			1995.04	1504.12	1177.96
ROCE (%)			37.55%	42.79%	7.36%
ROE (%)			36.51%	44.91%	0.57%
Debt-to-Equity Ratio			0.31	0.61	1.90

\*Balance sheet data as on the date mentioned above is not require to be prepared.

### SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “**Risk Factor**” beginning on page 22 of this Draft Letter of Offer. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Company’s inability to successfully implement its growth and expansion plans;
2. Changes in technology/ government laws and regulations to Industry in which we operate;
3. Operational guidance and support;
4. Payment of professional fees to doctors and consultants;
5. Cost of consumables;
6. Employee costs.

### SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please see the section titled “**Restated Financial Statements**” beginning on page 113 of this Draft Letter of offer.

### CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in the section titled “**Restated Financial Statements**” beginning on page 113 of this Draft Letter of Offer, there has been no change in accounting policies in last 3 years.

### RESULTS OF OPERATIONS

The following table sets out selected data from the Un-Audited Profit and Loss accounts for the quarter ended on 30<sup>th</sup> June 2022 and 30<sup>th</sup> June 2021, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	For the period ended June, 2022		For the period ended June, 2021	
	₹ (in Lakhs)	% of Total Income	₹ (in Lakhs)	% of Total Income
(a) Revenue from Operations	1,124.35	97.92	1,243.55	99.16
(b) Other Income	23.92	2.08	10.59	0.84
<b>Total Revenue</b>	<b>1,148.27</b>	<b>100.00</b>	<b>1,254.14</b>	<b>100.00</b>
<b>Expenses</b>				
(a) Purchase of Stock-In-Trade	543.62	47.34	347.58	27.71

Particulars	For the period ended June, 2022		For the period ended June, 2021	
	₹ (in Lakhs)	% of Total Income	₹ (in Lakhs)	% of Total Income
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(0.80)	(0.07)	(0.17)	(0.11)
(c) Employee Benefit Expenses	74.50	6.49	99.15	7.91
(d) Finance Costs	11.92	1.04	13.33	1.06
(e) Depreciation and Amortisation Expense	36.50	3.18	35.74	2.85
(f) Other Expenses	306.51	26.69	555.87	44.32
<b>Total Expenses</b>	<b>972.25</b>	<b>84.67</b>	<b>1051.50</b>	<b>83.84</b>
<b>Profit / (Loss) before Tax</b>	<b>176.02</b>	<b>15.33</b>	<b>202.64</b>	<b>16.16</b>
<b>Tax expense</b>				
(a) Current Tax	45.77	3.99	52.69	4.20
<b>Profit After Tax</b>	<b>130.25</b>	<b>11.34</b>	<b>149.95</b>	<b>11.96</b>

The following table sets out selected data from the Restated Financial Statements for Fiscal 2022 and Fiscal 2021 and Fiscal 2020, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	Fiscal 2022		Fiscal 2021		Fiscal 2020	
	₹ (in Lakhs)	% of Total Income	₹ (in Lakhs)	% of Total Income	₹ (in Lakhs)	% of Total Income
(a) Revenue from Operations	4,206.52	99.26	3,535.50	99.95	1,324.60	99.88
(b) Other Income	31.33	0.74	1.77	0.05	1.65	0.12
<b>Total Revenue</b>	<b>4,237.85</b>	<b>100.00</b>	<b>3,537.27</b>	<b>100.00</b>	<b>1,326.25</b>	<b>100.00</b>
<b>Expenses</b>						
(a) Purchase of Stock-In-Trade	1,449.56	34.21	372.87	10.54	82.46	6.22
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	15.08	0.36	(1.08)	(0.03)	(10.54)	(0.79)
(c) Employee Benefit Expenses	371.98	8.78	346.05	9.78	272.73	20.56
(d) Finance Costs	42.68	1.01	78.47	2.22	82.87	6.25
(e) Depreciation and Amortisation Expense	143.70	3.39	141.60	4.00	127.63	9.62
(f) Other Expenses	1,508.49	35.60	2,034.16	57.51	767.24	57.85
<b>Total Expenses</b>	<b>3,531.50</b>	<b>83.33</b>	<b>2,972.06</b>	<b>84.02</b>	<b>1,322.40</b>	<b>99.71</b>
<b>Profit / (Loss) before Tax</b>	<b>706.35</b>	<b>16.67</b>	<b>565.21</b>	<b>15.98</b>	<b>3.85</b>	<b>0.29</b>
<b>Tax expense</b>						
(a) Current Tax	186.48	4.40	157.79	4.46	1.00	0.08
(b) Deferred Tax	-	-	-	-	-	-
(c) Tax related to earlier years	-	-	-	-	-	-
<b>Total Tax expense</b>	<b>186.48</b>	<b>4.40</b>	<b>157.79</b>	<b>4.46</b>	<b>1.00</b>	<b>0.08</b>
<b>Profit After Tax</b>	<b>519.88</b>	<b>12.27</b>	<b>407.42</b>	<b>11.52</b>	<b>2.85</b>	<b>0.22</b>

#### *Principal components of our statement of profit and loss account Revenue*

The following descriptions sets forth information with respect to key components of the Restated Financial Statements.

#### **Total Revenue**

Our revenue comprises of (i) Revenue from operations and (ii) Other Income.

### ***Revenue from operations***

Our revenue from operations comprises income of revenue from sale of services comprising Healthcare services. The increase in revenue is attributable to increase in number of patients.

### ***Other Income***

Our other income includes: (i) interest income on fixed deposit, (ii) Interest income, and (iii) miscellaneous income.

### ***Expenses***

Our expenses consist of (i) Purchase of Stock-In-Trade, (ii) change in inventories of finished goods, work-in-progress and stock-in-trade, (iii) employee benefit expenses, (iv) finance costs, (v) depreciation and amortization expense; and (vi) other expenses. The purchase of stock-in-trade has increased from 6.22% in Fiscal 2020 to 34.21% in Fiscal 2022. The increase in cost of material is on account of consumable material purchased. However, the Company has been able to reduce other expenses by 25.84% in Fiscal 2022 from 11.08%% in Fiscal 2020 as the marginal increase in expense was off-set against higher revenue during the Fiscal 2022.

### ***Employee benefit expenses***

Employee benefit expense consists of salary, contribution to provident fund expense and staff welfare expense. As of Fiscal 2022 we have 154 employees across different verticals. The average employee expense was ₹ 371.98 Lakhs in Fiscal 2022 as against ₹ 272.73 Lakhs in Fiscal 2020. The change in average employee expense is due to recruitment of staff.

### ***Finance costs***

Our finance costs comprise of interest on term loan and working capital loan and other finance cost. Our finance cost has decreased from ₹ 82.87 Lakhs in Fiscal 2020 to ₹ 42.68 Lakhs in Fiscal 2022. The change in finance cost is on account of repayment of borrowing.

### ***Depreciation expenses***

Depreciation expenses consist of depreciation of fixed assets corresponding to their estimated useful lives.

### ***Other expenses***

Our other expenses primarily include Hospital Expenses, Diagnostic Expenses, Insurance Charges, Office Expenses, Professional Fees, Office rent, housekeeping charges, and canteen expenses.

### ***Tax expenses***

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

## **Results of our Operations**

### **Comparison of Three Months Ended June 2022 with Three Months Ended June 2021**

#### ***Revenues***

Total Income



Our total revenues decreased from ₹ 1,254.14 Lakhs in the three-month period ended on June 2021 to ₹ 1,148.27 Lakhs in the three-month period ended on June 2022, showing a decrease of ₹ 105.87 Lakhs.

#### *Revenue from operations*

Our revenues from operations decreased by ₹ 119.20 Lakhs compared from ₹ 1,243.55 Lakhs in the three-month period ended 2021 to ₹ 1,124.35 Lakhs in the three-month ended June 2021. The decrease in income from corresponding previous year is on account of decrease in number of patients.

#### **Other Income**

Other income was ₹ 23.92 in the three-month period ended June 2022 as compared to ₹ 10.59 Lakhs in the three-month period ended June 2021, showing an increase of 125.87%.

#### **Employee benefit expenses**

Employee benefit expenses in the three-month period ended June 2022 stood at ₹ 74.50 Lakhs, a decrease by 24.86% over our employee benefit expenses of ₹ 99.15 Lakhs in the three-month period ended June, 2021.

#### **Finance costs**

Finance costs slightly decreased by ₹ 1.41 Lakhs or 10.58% as compared from ₹ 13.33 Lakhs in the three-month period ended on June 2021 to ₹ 11.92 Lakhs in the three-month period ended on June, 2021.

#### **Depreciation and Amortization Expense**

Our depreciation charge increased by 2.13% compared from ₹ 35.74 Lakhs in the three-month period ended June 2021 to ₹ 36.50 Lakhs for the period ended June 2022.

#### **Other expenses**

Other expenses for the three-month period ended on June 2022 stood at ₹ 306.50 Lakhs as compared to ₹ 555.87 Lakhs for the period ended June 2021 showing a decrease by ₹ 249.36 Lakhs.

#### **Profit/Loss before Tax**

In light of the above discussions, there was a decrease by ₹ 26.62 Lakhs as compared to our profit before tax of ₹ 202.64 Lakhs in the three-month period ended June 2021 to ₹ 176.02 in the three-month period ended on June 2022.

#### **Profit/Loss after Tax**

For the various reasons discussed above, and following adjustments for tax expense, Profit after tax was decreased by ₹ 19.70 Lakhs as compared from ₹ 149.95 Lakhs in the three-month period ended on June 2021 to ₹ 130.25 Lakhs in the three-month ended June 2021.

### **Comparison Fiscal 2022 with Fiscal 2021**

#### **Total Revenues**

Our total revenues increased from ₹ 3,537.27 Lakhs in the fiscal 2021 to ₹ 4,237.85 Lakhs in the fiscal 2022, showing an increase by 19.81%. This increase was primarily due to an increase in revenue from operations.

#### **Revenues from operations**

Our revenues from operation in the fiscal 2022 were ₹ 4,206.52 Lakhs, showing an increase of 18.98% over our revenues from operation of ₹ 3,535.50 Lakhs in the fiscal 2021.

#### **Other Income**

Other income increased substantially by ₹ 29.56 Lakhs as compared from ₹ 1.77 Lakhs in the fiscal 2021 to ₹ 31.33 Lakhs in the fiscal 2022. Other Income in Fiscal 2022 has increased in comparison to Fiscal 2021 due to realization of interest income and other miscellaneous incomes of the business.

### ***Employee benefit expenses***

Employee benefit expenses in the fiscal 2022 stood at ₹ 371.98 Lakhs, an increase of 7.49% over our employee benefit expenses of ₹ 346.05 Lakhs in the fiscal 2021. Employee benefit expenses increases primarily due to an increase in payment of salary & wages to employees.

### ***Finance costs***

Finance costs decreased by ₹ 35.78 Lakhs as compared from ₹ 78.47 Lakhs in the fiscal 2021 to ₹ 42.68 Lakhs in the fiscal 2022. Finance costs decreased due to repayment of borrowing finance costs relate to interest and other borrowing costs paid by the Company on the credit facilities availed from the Banks/ Financial institutions.

### ***Depreciation and Amortization Expense***

Our depreciation charge was ₹ 143.70 Lakhs and ₹ 141.60 Lakhs for the fiscal 2022 and fiscal 2021 respectively, showing a slight increase by 1.48%.

### ***Other expenses***

Other expenses decreased by ₹ 525.67 Lakhs or by 25.84% as compared from ₹ 2,034.16 Lakhs in the fiscal 2021 to ₹ 1,508.49 Lakhs in the fiscal 2022. The decrease in other expenses is due to the following reasons:

**(₹ in Lakhs)**

<b>Particulars</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>	<b>Change</b>
Office Expenses	122.52	335.73	-213.21
Professional Fees	415.00	569.20	-154.19

### ***Profit/Loss before Tax***

In light of above discussions, our profit before tax in the fiscal 2022 was ₹ 706.36 Lakhs showing an increase by 24.97% as compared to a profit before tax of ₹ 565.21 Lakhs in the fiscal 2021.

### ***Profit/Loss after Tax***

For the various reasons discussed above, and following adjustments for tax expense, Profit after tax increased by ₹ 112.46 Lakhs or by 27.60% as compared from ₹ 407.42 Lakhs in the fiscal 2021 to profit after tax of ₹ 519.86 Lakhs in the fiscal 2022.

### **Comparison Fiscal 2021 with Fiscal 2020**

#### ***Revenues***

Our total revenues increased from ₹ 1,326.25 Lakhs in the fiscal 2020 to ₹ 3,537.27 Lakhs in the fiscal 2021, showing an increase by ₹ 2,211.02 Lakhs. Such increase in revenue mainly because of COVID-19 pandemic.

#### ***Revenues from Operations***

Our revenues from operation increased by ₹ 2,210.89 Lakhs as compared from ₹ 1,324.60 Lakhs in the fiscal 2020 to ₹ 3,535.50 Lakhs in the fiscal 2021. Since we are in to the healthcare services our revenues were not affected by Covid-19 pandemic.

#### ***Other Income***

Other income was ₹ 1.77 in the fiscal 2021 as compared to ₹ 1.65 Lakhs in the fiscal 2020, showing an increase by 7.47%.

#### ***Employee benefit expenses***

Employee benefit expenses in the fiscal 2021 stood at ₹ 346.05 Lakhs, an increase by 26.88% over our employee benefit expenses of ₹ 272.73 Lakhs in the fiscal 2020. The increase in Employee costs was due to increase in salaries and incentive paid to employees.

### **Finance costs**

Finance costs slightly decreased by ₹ 4.40 Lakhs or 5.31% as compared from ₹ 82.87 Lakhs in the fiscal 2020 to ₹ 78.47 Lakhs in the fiscal 2021. Finance costs relate to interest and other borrowing costs paid by the Company on the credit facilities availed from the Banks/ Financial institutions.

### **Depreciation and Amortization Expense**

Our depreciation charge increased by 10.95% as compared from ₹ 127.63 Lakhs in the fiscal 2020 to ₹ 141.60 Lakhs for the fiscal 2021.

### **Other expenses**

Other expenses for the fiscal 2021 stood at ₹ 767.24 Lakhs as compared to ₹ 2,034.16 Lakhs in the fiscal 2020, showing an increase by ₹ 1,266.92 Lakhs. The rise in other expenses was mainly due to Hospital Expenses incurred during the COVID-19 period. The reason can be observe as following:

(₹ in Lakhs)

Particulars	Fiscal 2022	Fiscal 2021	Change
Hospital operational Expenses	330.57	36.82	293.75
Office Expenses	335.73	129.01	206.72
Professional Fees	569.20	243.55	325.65

### **Profit/Loss before Tax**

In light of above discussions, there was a substantial increase by ₹ 561.34 Lakhs as compared from our profit before tax of ₹ 3.85 Lakhs in the fiscal year ended 31<sup>st</sup> March, 2020 to ₹ 565.21 Lakhs in the fiscal year ended 31<sup>st</sup> March, 2021.

### **Profit/Loss after Tax**

For the various reasons discussed above, and following adjustments for tax expense, Profit after tax was substantially increased by ₹ 404.55 Lakhs as compared from ₹ 2.85 Lakhs in the fiscal year ended 31<sup>st</sup> March, 2020 to ₹ 407.42 Lakhs in the fiscal year ended 31<sup>st</sup> March, 2021.

### **RELATED PARTY TRANSACTIONS**

For details of our related party transactions, refer “**Restated Financial Statements**” on page 113 in this draft letter of offer.

### **SIGNIFICANT DEVELOPMENTS SINCE LAST BALANCE SHEET DATE**

**After the date of last financial year i.e., March 31, 2022, the following material events have occurred after the last audited period.**

1. The Board of Directors of the Company approved the Rights issue in their meeting held on June 29, 2022.
2. The Board of Directors of the Company approved the change of name of our Company from “Scandent Imaging Limited” to “Family Care Hospitals Limited” in their meeting held on June 29, 2022
3. The Shareholders of the Company approved the Change of name of our Company from “Scandent Imaging Limited” to “Family Care Hospitals Limited” in their meeting held on July 28, 2022
4. The Board of Directors of the Company approved to increase Authorized Share Capital of the Company in their meeting held on June 29, 2022
5. The Shareholders of the Company approved to increase Authorized Share Capital of the Company in their meeting held on July 28, 2022

Except as disclosed above and including under sections titled “**Our Management**”, “**Our Business**”, “**Dividend Policy**” and section titled “**Risk Factors**” beginning on pages 102, 81, 112 and 22 respectively, of

this Draft Letter of Offer, to our knowledge no circumstances have arisen since March 31, 2022, the date of the last financial information disclosed in this Draft Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

**INFORMATION REQUIRED AS PER ITEM SCHEDULE VI TO THE SEBI ICDR REGULATIONS:**

1. Unusual or infrequent events or transactions: There have been no such events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.
2. Significant economic changes: Our Company’s operations are dependent on the general economic conditions and any changes in economic conditions may have an adverse impact on the entire industry and consequently on our operations.
3. Known trends or uncertainties: Except as described in “*Risk Factors*” and “*Management Discussion and Analysis of Financial Condition and Results of Operations*” in this Draft Letter of Offer, our Company believes there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.
4. The extent to increase in net sales or revenues are due to *increase in patient inflow count*.
5. New Services or business segments: Other than as described in “*Our Business*” in this Draft Letter of Offer, our Company is not planning to introduce any new services or business segments.
6. Business segment in which our Company operates: Healthcare Services
7. Seasonality of business: Our business & level of operations are not seasonal in nature. Our business depends upon the market condition.
8. Dependence on single or few clients: Our Company’s operations are not dependent on a particular client or group of clients.
9. Competitive conditions: For details of competition please refer to section “*Our Business*” on page 81.
10. Total turnover of Company through health care services for the last three years are as stated below:

₹ in Lakhs

Financial Year 2019-20	Financial Year 2020-21	Financial Year 2021-22
1324.6	3535.5	4206.22

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Our Company, Directors and our Promoters are involved in certain legal proceedings from time to time, which are primarily in the nature of tax disputes, criminal complaints, civil suits, and petitions pending before various authorities.

Except as disclosed below, there is no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.

For the purpose of the Issue, the following outstanding litigation have been considered as material and accordingly, have been disclosed in this chapter: any outstanding litigation, involving our Company, where the amount involved is 4206.52 Lakhs (being 10% of the gross turnover or 10% of its net worth, whichever is higher, of our Company, in terms of the Restated financials as at March 31, 2022) (“Materiality Threshold”) or above.

Pre-litigation notices received by our Company and/or our Promoters from third-parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) has not been evaluated for materiality until such time our Company and / or our promoter are impleaded as defendant in litigation proceedings before any judicial/ arbitral forum.

#### **A. OUTSTANDING LITIGATION INVOLVING OUR COMPANY:**

##### **1. Criminal proceedings**

###### **a. Criminal proceedings against our company:**

- i. Parties:** Dr. Gaurav Shashikant Bhuta (Complainant) v/s M/s. Scandent Imaging Ltd & 5 Ors. (Accused) **Court /Case No./Judge/Section:** Metropolitan Magistrate, 43<sup>rd</sup> Court, Borivali, Mumbai vide no. SS Cases, 4621 of 2017 dated 26-12-2017, complaint U/s 138,141,142 Negotiable instrument Act, 1881

###### **KEY BRIEF FACTS OF CASE:**

On 24<sup>th</sup> February, 2017 the Scandent Imaging Ltd offered the business of Scanning dent at 3D X-Ray at the total cost of Rs. 35,00,000/- inclusive of taxes. For that they entered into agreement with Mr. Gaurav Bhuta after agreeing to the terms & conditions & a cheque of Rs. 35,00,000 bearing no. 052707 dated 30<sup>th</sup> September, 2017 was drawn at Indian Bank, Matunga, Mumbai. The said cheque was dishonoured on 11<sup>th</sup> October, 2017 at ICICI Bank, Goregaon (West) Branch, Mumbai with remark stating “FUNDS INSUFFICIENT”. Complaint was filed by the Complainant for the same under section 138 of Negotiable Instruments Act, 1881. Scandent Imaging Ltd denied all the allegations on 29<sup>th</sup> January, 2018. The next hearing date is on 29<sup>th</sup> November, /2022.

**Approx. Amount involved** – Rs. 35,00,000/-+ Interest amount not quantifiable

Reference to the Order was passed on 29<sup>th</sup> January, 2018 that issue process against all the accused for the offence punishable u/s 138 r/w 141 of Negotiable Instruments Act, returnable on 20<sup>th</sup> August, 2018. Complainant to supply all the documents to the accused. Summons to be served through R.P.A.D. or Speed Post and Case be tried as Summons Case. The applicant being aggrieved and dissatisfied by the impugned order dated 29<sup>th</sup> January, 2018 passed by the 43<sup>rd</sup> M. M. Court, Borivali in C. C. No. 4304621/SS/2017 have preferred this Present Revision Application challenging and assailing the propriety, Correctness and legality of the said impugned order.

**b. Criminal proceedings filed by the manager / Authorized official of our company:**

- i. M/s. Scandent Imaging Limited & 6 Ors. (Applicant) V/s. Dr Gaurav Shashikant Bhuta & Anr. Court of sessions at Dindoshi (Borivali Division), Goregaon, Mumbai, filed on 7<sup>th</sup> January, 2019 vide C.C No.4304621/SS/201:**

With reference to the brief facts mentioned under the heading 1 (a)

Criminal Revision application No. 144 of 2019 was filed against the order passed by the Metropolitan Magistrate, 43rd Court, Borivali, in CC. No. 4304621/SS/2017 dated 29/01/2018. However, referring to the order that has been signed on 27<sup>th</sup> February, 2022 by the Hon'ble Court, stated in order "appearing except accused no .2 viz Dr. Gautam Deshpande, the impugned order of issuance of process dated 29<sup>th</sup> January, 2018, passed by the Metropolitan Magistrate, 43rd Court, Borivali, in CC. No. 4304621/SS/2017, is hereby quashed and set aside, to the extent of the accused nos. 1 and 3 to 6."

- ii. M/s. Scandent Imaging Ltd (Complainant) through Dr. Gautam Deshpande V/s Mr. Prem Alex Lawrence (Accused)-Before Hon'ble J.M.F.C 12th Court Thane filed on 10/03/2021 vide Case number: Cri. M. A./0000797/2021, (Complaint u/s 409 & 420 of the Indian Penal Code 1860), defrauded with total sum of Rs 15,63,865/- by committing criminal breach of trust:**

On account of defaulting in payments from 16<sup>th</sup> May, 2019 onwards for the purpose of providing services of x-ray machine as per the terms and conditions of agreement dated 1<sup>st</sup> January, 2018. The Complainant filed a Complaint dated 17<sup>th</sup> February, 2021 before local Shreenagar Police station, however, on refusal, the complainant approached this court for justice and redressal praying to forward the present Complaint for investigation u/s 156(3) of Cr. P. C. 1973 to Shreenagar Police station for investigation. The last date of hearing was on 27<sup>th</sup> September, 2022 which was adjourned. The matter is still pending before the said court

- iii. M/s. Scandent Imaging Ltd (complainant) v/s Dr. Hemant Pikale and Dr. Sangeeta Pikale (Accused)- SW/221/2019 –Summons Cases (Under section 156(3) of IPC) (339,384,420,421,441,442,500,506(II), 468, 120B r/w 34):**

For directing the Mahim Police Station to register an F.I.R against Dr. Hemant Pikale and Dr. Sangeeta Pikale for illegally using the 3<sup>rd</sup> floor premises of the Uma Building Mahim for Medical practice as against agreement dated 17<sup>th</sup> December, 2017 and using M/s. Scandent Imaging Ltd medical equipment's, premises and lift for their own medical practice without the permission of M/s. Scandent Imaging Ltd. The matter is pending under investigation and the next date of hearing is 2<sup>nd</sup> November, 2022.

- iv. M/s. Scandent Imaging Ltd (complainant) v/s Dr. Hemant Pikale and Dr. Sangeeta Pikale (Accused)-SW/222/2019 – Summons Cases (Under section 156(3) of IPC) 502,504,505,506(II),120 r/w 34 (Defamation of the Hospital Services of the Complainant):**

On November, 2018 the Accused have circulated a false vexatious, scandalous and defamatory contents among 2000 Doctors in different WhatsApp group to damage the reputation of the complainant, cause prejudicing the image of well-established business and reputation of M/s. Scandent Imaging Ltd. In this regard, the complainant has filed written complaint on 21<sup>st</sup> November, 2018 before Mahim Police station, however, the said police station till date has not acted or investigated upon the said complaint. Hence, this private complaint has been filed before the Learned Metropolitan Magistrate 9<sup>th</sup> Court, Mumbai interalia, praying as below:

This Hon'ble Court be pleased to refer present complaint to Mahim Police station under Section 156(3) of the Criminal Procedure Code 1973 with direction to register F.I.R. U/s. 502,504,505,506 (II) 120 r/w 34 of IPC against Accused herein and take appropriate action as per law.

The matter is still pending and the next date of hearing is 02<sup>nd</sup> November, 2022.

- v. **Scandent Imaging Ltd (Complainant) v/s Mr. Hemant Pikale and Ms. Sangeeta Pikale [u/s 156(3) CrPC] (Accused) - Before Add Chief Metropolitan Magistrate Ballard Pier, - Application under Section 156(3) of the Code of Criminal Procedure, 1976 against accused above named for offences punishable u/s 409, 467, 468, 469, 420 r/w 34, 120 B of the Indian Penal Code vide MISC/ 550 of 2019 dated 6<sup>th</sup> of November, 2019.**

Wherein, the Accused did not inform the complainants about the setbacks of the premises & showed a letter dated 28<sup>th</sup> October, 2003 clearing all the doubts of complainants. On receiving huge monies, the Accused had greed on their mind and started obstructing the smooth functioning of the hospital. When the Accused filed a complaint with BMC, it came to the notice that the Accused had permission only for the use of 1<sup>st</sup>& 2<sup>nd</sup> for running the hospital. Hence, the complainants filed RTI with MCGM, Dadar and after receiving the documents under RTI dated 20<sup>th</sup> November, 2018, it came as a shocker for the Complainant that the basement and the ground floor belonged to the bank premises & storage premises of bank. The Accused did not disclose the same with the greed to extract huge amount i.e., Rs. 60,00,000 as Security, Rs. 51,00,000 as asset purchase & goodwill & Rs. 11,00,000 as Rent pm from December 2017 to October 2018 which equal to the total amount of Rs. 2,32,00,000 on the basis of forged & fabricated documents.

The order vide dated has been issued by the said court on 10<sup>th</sup> January, 2020, mentioning the complainant is hereby rejected and can file verification on record u/s 200 of criminal procedure code. The matter is still pending and the next hearing is on 19<sup>th</sup> November, 2022.

- vi. **F.I.R No: 0819/2022 Mr. Sachit Raghunath Modsing working as an "admin" of M/s. Family Care Hospitals Limited (Formerly known as "Scandent Imaging Limited") (complainant) v/s. Jamil Abdulgani Aktar (Accused)**

**KEY BRIEF FACTS OF CASE:**

On 21<sup>st</sup> October, 2022, the Complainant has filed FIR before Navghar Police Station under Section 381 of Indian Penal Code, 1860, against the Accused who has stolen medicines from Family Care Hospital worth Rs. 45,790/- (Accused works as a technician since last 03 years in the Company). Presently the matter under investigation and the same is pending.

- vii. **Mrs. Tapti Meshram (For Family Care Hospitals) (Complainant) v/s Mr. Kiran Gajanan Dhanu and others (Accused) in C.C. No. 136/SW/2020 before The Court of Learned Metropolitan Magistrate 9<sup>th</sup> Court at Bandra Mumbai u/s 143, 145, 147, 149, 341, 506, 269, 270 r/w 120 (B) of the Indian Penal Code and Section 6 of The Epidemic Act (Amendment) Ordinance 2020**

**KEY BRIEF FACTS OF CASE:**

Mr. Prashant Kale was admitted in Family Care Hospital on 25<sup>th</sup> July, 2020 with critical condition with history of Inguinal abscess, fever progressive breathlessness, generalized weakness since eight to ten days. The patient expired on 25<sup>th</sup> July, 2020 at 22.15 pm inspite of all the measures and the same was conveyed to the relatives of the Patient. At this point in time no questions or objections were raised by any of the relatives of the patient and an NOC for issuing of 'death certificate' was procured from Mahim Police station by the relatives of the patient, themselves. After 4 days on 29<sup>th</sup> July, 2020 at around 11.45 am Mr. Kiran Dhanu (brother-in-law of deceased) along with his relatives, Mrs. Sangeeta Pikale and other 20-25 unknown persons turned up at the hospital premise with false, malicious and baseless allegations of over billing and negligence. The entire mob threatened the hospital staff, CMO and congregated with a view to damage the hospital. The Hon'ble Magistrate has ordered an inquiry under Section 156(3) of Cr. P. C.

**2. Outstanding civil litigation involving our Company:**

- a. **Civil proceedings against our Company:**

**i. Case Number. C. P. (I.B)3447 (MB)/2018 Before NCLT Mumbai Bench Court II- Dr. Gaurav Bhuta (Operational Creditor, Applicant) v/s Scandent Imaging Ltd (Corporate Debtor, Respondent)**

The matter is pending before Hon'ble national company law tribunal for claiming an amount Rs. 35,00,000/- by Dr. Gaurav Bhuta, the applicant has filed an affidavit of reply for disposing of the said matter and the matter is pending and the next hearing date is 15<sup>th</sup> November, 2022.

Facts of Reference of the above matter is referred in the above heading 1(a) (i) of criminal proceedings.

**ii. Company Petition No.204 of 2022, before National Company Law Tribunal, Mumbai, Dr. Hemant Shantaram Pikale and Anr. Versus Scandent Imaging Limited and Ors:**

Dr. Hemant Shantaram Pikale issued notice under rule 5 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rule, 2016 vide dated May 18, 2022 demanding to claim a sum of Rs 10,50,000 plus 18% GST per month with an escalation of 5% of license fees to increase every year + 5% GST and 50% of any excess of property tax above Rs 50,000 per month @ 5% p.a. during pendency of the suit the same towards the License fees/compensation in respect of the suit premises as appearing under the heading 2 (a) (iii) of this chapter. The total amount to be claimed Rs. 4,82,03,382/-. Family Care Hospital Limited” (formerly known as “Scandent Imaging Limited” has also replied vide dated 31<sup>st</sup> May, 2022.

The present petition is filed by the Petitioners to take an urgent direction towards the Respondent to restraint it from passing a resolution to enter into transactions with related parties up to Rs. 100 crores for the FY 2022-2023 in the AGM scheduled on July 28<sup>th</sup>, 2022. Respondent is attempting to raise funds by the way of right issue which will lead to Respondent No. 3 having the sole authority over the company. The said resolution is being attempted to be passed without any clarification. The affairs of the company are conducted in a dubious manner & can lead to losses in coming future covering interalia with following prayers:

- To pass an order restraining the company from passing the resolution “to approve the related party transactions” in the notice of 06<sup>th</sup> July, 2022. If passed AGM to be held on 28<sup>th</sup> July, 2022, if pending – withdraw.
- To pass an order restraining the that respondent no 2-4 won't pass any benefits or shareholding to the third party.
- To alter share capital or shareholding pattern.
- To disclose:

Inflow and outflow from FY 2017-2018 till date with supporting documents, Bank statements, Details of investments, Details of related party transactions, Assets purchased, to investigate and submit report, statutory reports, Cost of incidentals to present the petition to the petitioners. The matter is still pending for admission before Hon'ble National Company Law Tribunal, Mumbai.

**iii. In the Court of Small Causes at Mumbai L.ESC Suit No 58 of 2019 Mr. Hemant Shantaram Pikale (plaintiff) V/s Scandent Imaging Limited (Defendant)**

**KEY BRIEF FACTS OF CASE:**

Our company Family Care Hospital Private Limited formerly known as Scandent Imaging Limited (Complainants) and Mr. Hemant Pikale& Mrs. Sangeeta Pikale (Accused) executed 3 agreements viz.



- Asset Purchase Agreement for purchase of all the movable properties i.e., tangible assets of business of running and operating the multi-specialty hospital by the accused under the name and style of 'Pikale Hospital';
- Leave & License Agreement to let out a property consisting of basement + ground + 2 floors at Uma Mahesh building, 3<sup>rd</sup> floor, MMC, 02 Cross Road, Mahim, Mumbai being an area admeasuring approx. 8458 sq. ft on lease for the period of 5 years
- Memorandum of Understanding for extending the tenure of the lease for further 4 years on 14<sup>th</sup> December, 2017.

Both the parties agreed to the terms of all the 3 agreements of substantial consideration to be paid to the Accused by the Complainants & the sum of Rs. 1.1 crores were paid to the Accused (being Rs. 51,00,000 under the asset purchase & being Rs. 60,00,000 as Security Deposit). The complainant started operations in the said premises from the month of February 2018 & was duly performing its part of the agreement, when it realized that the Accused had continued their medical practices from 3<sup>rd</sup> floor of the property mentioned above which was specifically excluded from the agreement as the Accused wanted to use it for their residential purpose which led to violation of the terms of agreement & will lead to claiming of monetary compensation from the Accused. Also, the Accused disrupted the smooth functioning of business activities of the Complainants due to which the Complainants had to face inconvenience and for the same various complaints were filed with Mahim Police Station.

The dispute arose between the parties in respect of the Suit Premises and Mr. Hemant Shantaram Pikale filed the suit for eviction of license with several prayers for recovery of the possession, arrears of license fee and compensation before the Small Causes Court.

In LE & C Suit No. 58 of 2019 below Exhibit-12 dated 3.5.2021. The court has interalia granted following temporary injunction:

- The defendant is directed deposit arrears of the license fee under order 15 (a) of the Code of Civil Procedure, 1908 from the 01.02.2019 to 31.01.2020, at the rate of Rs.10,50,000/- p.m. plus 18% GST, further from 01.02.2020 to 31.01.2021 at the rate of Rs.11,02,500/- p.m. plus 18% GST, further from 01.02.2021 at the rate of Rs.11,57,625/- p.m. plus 18% GST till today and continue to deposit the same along with escalation thereon at 5% annually during pendency of the suit, the amount of compensation shall be deposited in court on or before 10 days of each succeeding month.
- The defendant is directed to clear all arrears of license fee and compensation amount by depositing in court within period of six weeks i.e., till 21<sup>st</sup> June, 2021.

This order was challenged by filing revision application no. 208 of 2022 in the appeal court. Next date of hearing is on 15<sup>th</sup> November, 2022.

**iv. In the Court of Small Causes at Mumbai L.ESC Suit No 58 of 2019, Execution Application of 209 of 2021, Mr. Hemant Shantaram Pikale (plaintiff) V/s Scandent Imaging Limited (Defendant)**

With reference to the brief facts mentioned under the heading 2 (a) (iii) and interim relief granted by the Hon'ble court dated 3<sup>rd</sup> May, 2021 as mentioned under the heading 2 (a) (iii).

The plaintiff has filed for execution of the order passed in LE & C Suit No. 58 of 2019 below Exhibit-12 dated 3<sup>rd</sup> May, 2021. The court has granted temporary injunction in the Hon'ble Court has passed an order below Exh- 1 on dated 27<sup>th</sup> September, 2021. By which

- The defendants are directed to maintain status quo with further directions

- Not to take steps for alienating the assets and property owned by the defendants company, said order is continue till next date' and being continued from date to last date.

The Scandent Imaging Limited (Defendant) is filing Writ petition in the Hon'ble High Court against the order.

The matter is still pending before small cause court. Defendant has filed counter claim with Exh. No. 109 and the next date of hearing is 15<sup>th</sup> November, 2022.

**b. Civil proceedings by our Company:**

**i. In the Court of Small Causes at Mumbai (Appellate Bench) Misc. Appeal No. 110 of 2021 r/w Revision No. 208/2022 Scandent Imaging Limited V/s Mr. Hemant Shantaram Pikale**

With reference to the brief facts mentioned under the heading 2 (a) (iii)

The Revision is pending against the order passed below Exhibit 12. In LEC Suit No. 58/2019 that the main appeal is filed being aggrieved by the order dated 03<sup>rd</sup> May, 2021 passed below Exhibit-12 in L.E. & C. Suit No. 58 of 2019 by learned Judge, Court Room No.8 whereby the application taken out by the respondent for various reliefs including temporary injunction. In Exh - 29 the honorable court allowed for conversion of the Appeal into Revision by the appellate bench on dated 25<sup>th</sup> July, 2022 and now new revision No. 208/2022 is pending for the hearing. The matter is pending before Small Cause court Dhobi Talao in the court of Judge Cr. No. 2 and the date of next hearing is 30<sup>th</sup> November, 2022.

**ii. In the Court of Small Causes at Mumbai Counter claim on Exhibit. No. 109 in Suit No. LEC - 58/2019 Scandent Imaging Limited (Counter Claimant) V/s Mr. Hemant Shantaram Pikale (Defendant)**

With reference to the brief facts mentioned under the heading 2 (a) (iii), Scandent Imaging Ltd has filed Counter claim on Exhibit. No. 109 in Suit No. LEC - 58/2019 which is allowed by the Court and the matter is still pending for the defendant's Written statement.

The Counter claim for the amount as under:

- A sum of Rs. 1,09,27,000/- claimed for Defendant no.1 has sought to conduct from the 3<sup>rd</sup> floor of the Suit Premises for which his patients used the lift, which was being maintained by the Counter Claimant and usage of other areas and facilities of the hospital by the Defendant no.1 / his patients for the period from February 2018 to October 2018.
- A sum of Rs. 10,00,00,000/- of the loss caused to the Counter Claimant for the disruption of its business at the Suit Premises due to the acts of the Defendant no.1 and Defendant no.2.
- A sum of Rs. 2,00,00,000/- for the damages / compensation payable by Defendant no.1 to the Counter Claimant for all the disturbance, obstruction, impediment, hurdles etc. caused by Defendant no.1 / his relatives / agents / representatives etc. and for the non-performance of the terms and conditions of the agreements;
- A sum of Rs. 2,00,00,000/- for the compensation / damages payable towards the mental harassment caused by Defendant no.1 / his relatives / agents / representatives etc. to the Counter Claimant.
- A sum of Rs. 6,50,00,000/- for the monies invested/expended on the said premises.
- A sum of Rs. 1,11,00,000/- for the cost paid under the Assets purchase agreement and security deposit.

- i. **Arbitration:** NA
- j. **Labour cases:** NA
- k. **District Court cases:** NA
- l. **Details of fines imposed or compounding of offences under the Companies Act in the last five years immediately preceding the year of this Draft Letter of Offer**

There have been no fines imposed on our Company or compounding of offences by our Company under the Companies Act in the last five years immediately preceding the date of this Draft Letter of Offer.

- m. **Litigations involving our Subsidiary Company**

As on date of this Draft Letter of Offer, our Company has no Subsidiary company.

- n. **Material frauds against our Company in the last five years immediately preceding the year of this Draft Letter of Offer**

Except as stated in this letter, there have been no material frauds committed against our Company in the last five years

- o. **Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act in the last five years immediately preceding the year of this Draft Letter of Offer and if there were prosecutions filed (whether pending or not)**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act in the last five years against our Company.

- p. **Disciplinary Action Including Penalty Imposed by SEBI or Stock Exchanges Against the Promoters in the Last Five Financial Years Including Outstanding Action.**

As of the date of this Draft Letter of Offer, there have been no disciplinary actions including penalty imposed by SEBI or Stock Exchanges Against the Promoters in the Last Five Financial Years Including Outstanding Action.

### 3. **Outstanding dues to small scale undertakings or any other creditors**

In the absence of information available with us, dues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as of 31/03/2022, cannot be ascertained.

As per the Restated Financial Statements, the aggregate amounts outstanding to such creditors are as under:

- a. **Borrowings:**

Particulars	As on 31 <sup>st</sup> March 2022	As on 31 <sup>st</sup> March 2021	As on 31 <sup>st</sup> March 2020
Total borrowings	434.85	549.04	952.57

- b. **Trade Payables:**

Sr. No	Trade creditors	As on 31 <sup>st</sup> March 2022	As on 31 <sup>st</sup> March 2021	As on 31 <sup>st</sup> March 2020
1	Outstanding to MSME	3.52	1.19	3.00
2	Others	1531.55	215.12	187.45
	Total	1535.07	216.31	190.45

- c. **Outstanding litigation involving any other persons or companies whose outcome could have an adverse effect on our Company**

There is no outstanding litigation against any other persons or companies whose outcome could have an adverse effect on our Company.

## **B. LITIGATION INVOLVING OUR DIRECTORS**

### **1. Outstanding criminal litigation involving our Directors**

#### **a. Criminal proceedings against our directors:**

Proceedings involving issues of moral turpitude or criminal liability initiated against our directors:

- i. **Case No. SCC No. 1727/2016 before Joint Civil Judge JMFC Court 2, Thane filed on 2<sup>nd</sup> April, 2016: Mr. Sanjay Mittal (Complainant) V/s Lucy Massey (Accused)**

#### **KEY BRIEF FACTS OF CASE:**

Mr. Sanjay Mittal Proprietor of Sanjay Enterprises, approached accused and requested Ms. Lucy Massey to file a suit for partition before the Hon'ble High Court against his brother and his banker, on professional service fee basis wherein Ms. Massey has asked the Complainant to pay INR 6,00,000/- towards the court fees and INR 1,75,000/- towards her legal and professional fees. The Complainant on assurance and insistence of the accused, paid a total sum of INR 7,75,000/- towards court fees as well as professional fees.

*Case No. SCC No. 1727/2016 before Joint Civil Judge JMFC Court 2, Thane filed on 2<sup>nd</sup> April, 2016: Mr. Sanjay Mittal (Complainant) V/s Lucy Massey (Accused):*

After issuing Statutory legal notice of demand vide dated 15th February, 2016 by the complainant's advocates, the Complainant, files a complaint u/s 138 of Negotiable Instruments Act, 1881, before Court of Joint Civil Judge/ J.M.F.C Thane, mentioning that the services did not perform and the amount returned back to the Complainant vide cheque bearing no. 330873 of amount Rs. 3,00,000 dated 4<sup>th</sup> February, 2015 drawn on ING Vysya Bank Ltd, when sent for realisation or collection with remarks "INSUFFICEIENT FUNDS".

The matter is fixed for return of summons and the next date of hearing is on 23<sup>rd</sup> November, 2022.

- ii. **Case No.1737/2016 before JMFC Court, 4th Joint Civil Judge, Thane filed on 5<sup>th</sup> April, 2016: Mr. Sanjay Mittal Prop of Sanjay Enterprises (Complainant) V/s Lucy Massey (Respondent)**

With reference to the brief facts mentioned under heading 1 (a) (i)

After issuing Statutory legal notice of demand vide dated 15<sup>th</sup> February, 2016 by the complainant's advocates, the Complainant, files a complaint u/s 138 of Negotiable Instruments Act, 1881, before Court of Joint Civil Judge/ J.M.F.C Thane, mentioning that the services did not perform and the amount returned back to the Complainant:

- vide cheque bearing no. 995399 of amount Rs. 1,00,000 dated 27<sup>th</sup> November, 2015
- vide cheque bearing no. 995400 of amount Rs. 2,00,000/- dated 27<sup>th</sup> November, 2015

drawn on ING Vysya Bank Ltd, Vashi Branch, when sent for realisation or collection with remarks "INSUFFICEIENT FUNDS". The matter is fixed for return of summons and the next date is 27<sup>th</sup> December, 2022.

- iii. **Pararmount Print Packaging Ltd v/s. Mr. Pandoo P Naig and Onelife Capital Advisors Ltd— FIR bearing no. 336 of 2021**

Paramount Print Packaging Ltd (PPL), has filed a complaint against Mr. Pandoo P Naig and Onelife Capital Advisors Ltd under sections 409,467,468,469,471 and 120 B. The complaint alleges that the he was fraudulently advised by Mr. Pandoo Naig to transfer money to certain NINE entities and hence has defrauded the complainant. Mr. Pandoo Naig has secured an anticipatory bail from the Hon. Sessions Court of Greater Mumbai with the observation that “After hearing both the sides, I go through record.”*vide order ref CNR:MHCC02-008747-2021 dated 27th July, 2021.*

- Anticipatory Bail Application No.1510 of 2021 is hereby allowed.
- Investigating Officer in C.R.No.52 of 2021 of E.O.W., Mumbai (C.R. No.336 of 2021 MRA Marg Police Station) for the offence U/s.409, 420, 465, 467, 468, 471 r/w. 120-B of Indian Penal Code is directed, in the event of arrest of the applicant Pandoo Prabhakar Naig in this crime, he be released on executing PR bond of Rs.15,000/- with one or two sureties in like amount.
- Applicant to furnish his detailed address, phone number to the IO at the time of furnishing bail.
- Applicant to attend EOW, Mumbai as and when called by Investigating Officer.
- Applicant shall not, directly or indirectly, make any inducement, threat or promise to any person acquainted with the facts of the accusation against himself so as to dissuade him from disclosing such facts to the Court or to any police officer.
- Applicant shall not leave India without previous permission of the Court.
- Anticipatory Bail Application is disposed off accordingly.

Admittedly, there is no any document regarding advice of applicants to informant. Amounts were transferred to certain Nine entities from the account of PPL. SEBI observed in para 77 of order dt. 20<sup>th</sup> November 2020 that “*It does not appear to reason that an experienced business family like the Sukhadia family (present informant) who have (as claimed) around 8 decades of experience in the business, would become a puppet at the hands of a person who was a newly registered merchant banker and was only supposed to act as the BRLM for the IPO of PPL.*”. Considering all these facts and circumstances of the present case, there is nothing to recover by way of custodial interrogation from the applicant. All the transactions are banking transactions and from the account of the informant. Therefore, I am inclined to allow the application and pass following order.” The matter is being investigated and is presently pending.

- iv. **Informant/ Victim: Majhle s/o Wahid ulla V/s. Accused: Rajneesh Pandey- Facts of the case: FIR no 57/2002 u/s 352, 504, 506 of IPC, Victims friend / Witness: Aabid Khan: Date of incident: 30/04/2006 Time: 20:30- 21:00:**

An informant was stranger to Mr. Rajneesh Pandey, due to conflict and violence, and threatening the informant of dire consequences for not vacating the seat in the bus. The matter being pending under investigation.

- v. **F.I.R No. 859 of 2022, Dr. Mahima Shyam Nigam (Complainant) vs Mr. Pandoo Naig (Accused) under section 406, 506 of Indian Penal Code with Navghar Police Station, Mira-Bhayander, Vasai Virar:**

**KEY BRIEF FACTS OF CASE:**

On 3<sup>rd</sup> November, 2022, the Complainant has filed FIR before Navghar Police Station under Section & of Indian Penal Code, 1860, against the Accused alleging him for misappropriation of money of total sum of Rs 6,49,081/- that was to be received by her for the services rendered as Physiotherapy

Doctor at Family Care Hospital from September 2020 – October 2022. Presently the matter under investigation and the same is pending.

- b. **Criminal proceedings by our Directors:** NIL
- c. **Actions taken by Statutory / Regulatory Authorities:** NIL
- d. **Tax Proceedings:** NIL
- e. **Other Material Litigations:** NIL

**2. Outstanding civil litigation involving our Directors**

- a. **Civil proceedings against our Directors:** NIL

**b. Civil proceedings by our Directors:**

Year	Authority	Case Details	Status
2019	<p>Hight Court at Ahmedabad Dist: Vadodara Special Civil Application No: 1877 of 2019 Mrs. Anandhi P Naig&amp;Ors. Vs. Union of India &amp;Ors.</p> <p>1. Mrs. Anandhi P Naig 2. Mr. Pandoo P Naig 3. Mr. Prabhakar Naig 4. Mr. Gautam Deshpande 5. Mrs. Sowmya Deshpande</p> <p>Vs.</p> <p>1. Union of India 2. Deputy Commissioner of Income Tax</p>	<p>The petitioners are seeking to challenge and impugn show cause notices and orders issued by Respondent No. 2 dated 14<sup>th</sup> December, 2018 which seeks to mention section 179 of the I.T Act applicable to the Petitioners and consequently issuance of Demand Notice under section 156 of the said act. However, demand mentioned under the said notice is dismissed vide tribunal order dated Jan- Feb 22 the order dated Jan 22</p> <p><b>Background of case:</b> Company Khevana Securities &amp; Finstock Ltd. having registration no. 25274 and the directors of the company are Mr. Darshak Hiralal Shah, Mr. Pratik Anilbhai Desai &amp; Mrs. Aradhana Darshak Shah. The petitioners sold their shares &amp; as per MCA website it appears shareholders as NagamiIyer, Chitra Mayekar&amp; Abhijeet Daptadar. The petitioners were ceased to be the directors and hence this demonstrated that the petitioners had exited the Company. The show cause notice u/s 179 of Income Tax Act, 1961 dated 14<sup>th</sup> December, 2018 duly issued by the Respondent No. 2 whereas Petitioners No. 3 to 5 have till date note received.</p>	<p>Last hearing held on 22<sup>nd</sup> February, 2022, and the matter is still pending.</p>

Year	Authority	Case Details	Status
		<p>Respondent No. 2, the Petitioners were compelled to file a reply dated 31<sup>st</sup> December, 2018 (submitted/received on 2<sup>nd</sup> January, 2019 by Respondent No. 2) through the Petitioners, Chartered Accountant. Petitioner No. 1 also received a demand notice U/s 156 of the said Act dated 31.12.2018 (the "Impugned Demand") and the Petitioner No. 1 was threatened with coercive steps for non-payment of the amount set out in the demand notice within a period of 30 (Thirty) days from the service of the notice.</p> <p>The order vide dated 31<sup>st</sup> January, 2019, appears by way of ad interim relief, the impugned order dated 31<sup>st</sup> December, 2018 passed under section 179 of the Income Tax Act, 1961 as well as the consequential demand notice under section 156 of the Income Tax Act, 1961 are hereby stayed.</p>	

**c. Actions taken by Statutory / Regulatory Authorities:**

**i. Notice under Rule 4 of the SEBI (Procedure for Holding inquiry and Imposing Penalties) Rules, 1995 issued to OneLife Capital Advisors Limited (OCAL/Noticee no 1) and Mr. Pandoo Naig (Noticee no 2) vide dated 10<sup>th</sup> August, 2021**

For violation of the provisions of Clauses 1,2,3,4,6,7,11,12,13 and 18 of code of conduct given under schedule III r/w Regulation 13 of SEBI (Merchant Bankers)Regulation,1992 and Regulation 64(1) of SEBI (Issue of Capital and Disclosure Requirements)Regulation 2009 Committed by merchant banker i.e. OCAL and noticeee no 2.The notice no 1 and 2 hereinafter collectively referred to as "the Noticees"-SEBI after conducting investigation in that matter of Initial Public Offer of paramount Printpackaging Ltd (PPL Company) observed that Company did not utilize the IPO Proceeds of Rs 42.25 crores as per the object stated in prospectus. Out of the total IPO Proceeds of Rs 42.25 crores, Rs 38.87 Crores were diverted to different entities in the guise of making payments towards the object stated in the prospectus and Rs 3.37 crores were spent for the purpose not mentioned in prospectus. Further, information was sought from the noticees and based on the findings of the investigation and submission of notice no 1 following major allegation were made against noticees.

Allegations in respect of due diligence and disclosures made in respect of the IPO and prospectus of PPL.

The reply has been made in this regard and the matter is appearing as pending for adjudication of SEBI.

- d. Tax Proceedings: NIL
- e. Other Material Litigations: NIL

**C. LITIGATION INVOLVING OUR PROMOTERS**

**1. Outstanding criminal litigation involving our Promoters**

- a. Criminal proceedings against our Promoters: NIL
- b. Criminal proceedings by our Promoters: NIL

**2. Outstanding civil litigation involving our Promoters**

- a. Civil proceedings against our Promoters: NIL
- b. Civil proceedings by our Promoters: NIL

**3. Actions taken by Statutory / Regulatory Authorities:**

- a. Mr. Gautam Deshpande is disqualified by RoC u/s 164(2) of the Companies Act, 2013 from directorship for a period of 5 years with effect from 1<sup>st</sup> November, 2018 till 31<sup>st</sup> October, 2023
- b. Registrar of Companies issued an order dated 6th June, 2018, under section 206(4) of the Companies Act, 2013 for furnishing of information in the matter of One Life Capita Advisors Limited. The Company has made a reply and the same is still pending.

**4. Other material proceedings: NIL**

**5. Tax proceedings: NIL**

Sr. No	Nature of Case	Number of Cases	Amount Involved (in INR)	Facts of case	Interest Accrued	Remarks, if any
<b>A</b>	<b>Our Company</b>					
	Direct Tax	-	-	-	-	-
	TDS Defaults	-	-	-	-	-
<b>B</b>	<b>OUR PROMOTERS</b>					
<b>C</b>	<b>Other Tax Proceedings</b>	-	-	-	-	-
<b>D</b>	<b>Other Subsidiaries Companies</b>	-	-	-	-	-

**LEGAL NOTICES RECEIVED BY OUR COMPANY, OUR PROMOTERS AND OUR DIRECTORS: NIL**

**DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company or the Promoters and nor our Directors are or have been classified as a willful defaulter by a bank or financial institution or a consortium thereof in accordance with the guidelines on willful defaulters issued by RBI.

**MATERIAL CHANGES AND COMMITMENTS**

We confirm that other than the disclosures made in the financial statements as appearing in this Letter of Offer, there are no material changes and commitments affecting the financial position of the company.



**MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST AUDITED ACCOUNTS**

We confirm that other than the disclosures made in the financial statements, as appearing in this Draft Letter of Offer and “***MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS***” on page 150 of this Draft Letter of Offer, there are no material changes and commitments affecting the financial position of the company.

## GOVERNMENT AND OTHER APPROVALS

We have received all the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/certification bodies required for our business and no further approvals are required by us for carrying on the present as well as proposed business activities of the Company. It must, however, be distinctly understood that in granting the above approvals, the Government and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed.

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any statutory authority are required to continue those activities.

**The following statement sets out the details of licenses, permissions and approvals taken by the Company under various Central and State Laws for carrying out its business.**

### I. Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue:

- Our Board, pursuant to its resolution dated June 29, 2022 and Right Issue Committee pursuant to its resolution dated November 3, 2022, authorized the present Rights Issue;
- In-principle approval from BSE dated [●].
- The Company's International Securities Identification Number ("ISIN") is INE146N01016

### II. Incorporation details

- Certificate of Incorporation dated September 5, 1994 issued by Registrar of Companies, Mumbai, Maharashtra in the name of "Pharma Offset Limited;
- Fresh Certificate of Incorporation dated March 27, 2012 issued pursuant to the change in name of the Company to "Count N Denier (India) Limited", by the Registrar of Companies, Mumbai, Maharashtra;
- Fresh Certificate of Incorporation dated March 17, 2017 issued pursuant to the change in name of the Company to "Scandent Imaging Limited", by the Registrar of Companies, Mumbai, Maharashtra;
- Fresh Certificate of Incorporation dated September 5, 2022 issued pursuant to the change in name of the Company to "Family Care Hospitals Limited", by the Registrar of Companies, Mumbai, Maharashtra.

### III. Tax related approvals

Sr. No.	Authorization granted	Issuing Authority	Registration No. /Reference No./License No.	Validity
1.	Permanent Account Number	Income Tax Department, GOI	AAACP2883M	Perpetual
2.	Tax Deduction Account Number	Income Tax Department, GOI	MUMC19098C	Perpetual
3.	GST Registration Certificate	Central Board of Excise and Custom (CBEC)	27AAACP2883M1ZZ	Perpetual

### IV. Corporate approvals of our Company



Sr. No.	Description	Authority	Registration No. /License No./ Certificate No.	Date of Issue	Validity Date
1.	Our Company for its unit "Family Care Hospitals" has	National Accrediation Board for Hospitals	PEH-2021-1713	December 8, 2021	December 7, 2023

Sr. No.	Description	Authority	Registration No. /License No./ Certificate No.	Date of Issue	Validity Date
	obtained Certificate of Compliance with NABH Entry Level	and Healthcare Providers			
2	Udhyog Aadhar Registration certificate	Ministry of Micro, Small and Medium enterprises	UDYAM-MH-33-0080591	April 17, 2021	-
3	Certificate of Registration under Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Maharashtra Sales Tax Department	27785292033P	December 31, 2014	Perpetual
4	Certificate of Registration under Section 5 of Maharashtra (Bombay)Nursing Home Registration Act 1949 for its unit "Family Care Hospitals"	Mira-bhaingar Municipal Corporation	MH/THN/MBMC /2022-106	April 20, 2022	March 31, 2025
5	Registration under Maharashtra Shop and Establishment Rule, 2018 for Medical and General Store.	Mira-Bhayandar Municipal Corporation	211020031587 2097	November 20, 2021	December 1, 2024
6	License for Operation Of Medical Diagnostic X-Ray Equipment	Atomic Energy Regulatory Board	19-LOP-422891	August 26, 2019	August 26, 2024
7	Certificate issued for Common bio-medical waste disposal facility	Maharashtra Pollution Control Board	C3018	April 9, 2022	September 30, 2022
8	Registration under Maharashtra Shop and Establishment Rule, 2018 for Canteen	Mira-Bhayandar Municipal Corporation	211020031587 2078	November 20, 2021	-
9	License for Registration for Operation of Medical Diagnostic X-Ray Equipment	Atomic Energy Regulatory Board	15-LOEE-51486 and 15-LOEE-51469	December 4, 2021	December 4, 2026.
10	Certificate of Registration under Prohibition of Sex Selection Act, 2003	Public Health Department	MH/THN/MBC/ 2018-120	January 25, 2019	January 24, 2024

Sr. No.	Description	Authority	Registration No. /License No./ Certificate No.	Date of Issue	Validity Date
11	License issued to sell, stock or exhibit (or offer) for sale or distribute by retail the following categories of drugs specified in Schedules C and C (1) [excluding those specified in Sch. X]	Food & Drugs Administration, Thane-zone 2	MH-TZ2-301558	November 4, 2018	November 3, 2023.
12	Registration for Operation of Medical Diagnostic X-Ray Equipment	Atomic Energy Regulatory Board	19-REGNEWIMPOR T-506218	August 19, 2019	August 19, 2029.

#### V. Intellectual Property Approval

Our Company has obtained registration and/or made applications for the registration of the following trademark with Trademark Registry, Government of India.

Sr. No.	Brand Name/ Logo Trademark	Class	Nature of Trademark	Applicant	Application No. & Date	Status
1.		44	Wordmark	Doctor Dental Services Limited	2269809 & January 20, 2012	Registered
2.		44	Wordmark	Scandent Imaging Limited	3638715 & September 19, 2017	Registered

#### VI. Material approvals for which applications have been made by our Company, but are currently pending grant:

As on date this Draft Letter of Offer there are no material approvals and licenses for which our Company has made an application but pending to grant.

#### VII. Material approvals for which renewal applications have been made by our Company:

As on date this Draft Letter of Offer there are no material approvals and licenses for which our Company has made an application for renewal.

#### VIII. Material approvals required for which no application has been made by our Company:

As on date this Draft Letter of Offer there are no material approvals and licenses for which our Company has required to made an application.

## OTHER REGULATORY AND STATUTORY APPROVALS

### AUTHORITY FOR THE ISSUE

The Board have authorized and delegated the power to determine the terms and conditions of the Issue to the Right Issue Committee at their meeting held on June 29, 2022 pursuant to Section 62(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013. Further, the Right Issue Committee in its meeting held on November 3, 2022, has decided the size of the issue to be upto ₹ 4250.00 Lakhs.

Our Board in its meeting held on [●] has resolved to issue upto [●] Equity Shares to the Eligible Equity Shareholders, at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), in the ratio of [●] Equity Shares for every [●] Equity Shares each as held on the Record Date. The Issue Price of ₹ [●] per Equity Share has been arrived at, in consultation with the Lead Manager, prior to determination of the Record Date.

Our company has received “In-Principle Approval” from BSE vide their letter dated [●], in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in this Issue. Our Company will also make applications to BSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective Demat accounts of the Equity Shareholders of our Company. For details, please see the section titled “*Terms of the Issue*” beginning on page 178 of this Draft Letter of Offer.

### ASSOCIATION OF OUR DIRECTORS WITH SECURITIES MARKET

None of our Directors are associated with the securities market.

Except as stated in section titled “*OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS*” beginning on page 158 of this Draft Letter of Offer, there are no outstanding action(s) initiated by SEBI against our Directors in the 5 years preceding the date of this Draft Letter of Offer.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, Promoter, member of the Promoter Group, Directors and persons in control of our Company have not been prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Letter of Offer.

The companies with which our Promoter or our Directors are associated as promoter or directors have not been debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or directions passed by SEBI.

### PROHIBITION BY RBI

Neither our Company, nor our Promoter or any of our Directors have been categorised or identified or declared as a Wilful Defaulter or Fraudulent Borrower or Fugitive Economic Offender.

### CONFIRMATION UNDER COMPANIES (SIGNIFICANT BENEFICIAL OWNERS) RULES, 2018

Our Company and our Promoter are in compliance with the requirements of the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Draft Letter of Offer.

### ELIGIBILITY FOR THE ISSUE

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on BSE. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Pursuant to Clause 2 of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

### COMPLIANCE WITH REGULATIONS 61 AND 62 OF THE SEBI ICDR REGULATIONS

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchanges and has received

their “In-Principle Approvals” for listing of the Rights Equity Shares to be issued pursuant to this Issue. BSE Limited is the Designated Stock Exchange for this Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

This Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is not exceeding ₹ 5,000.00 Lakhs.

#### **DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in the Issue will be deemed to have represented to our Company and the Lead Manager 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 Rights Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

#### **CAUTION**

Our Company and the Lead Manager shall make all relevant information available to the Eligible Equity Shareholders in accordance with SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

No dealer, salesperson or other person is authorised to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

#### **DISCLAIMER CLAUSE OF BSE LIMITED**

The Designated Stock Exchange for the purposes of this Issue is BSE Limited. As required, a copy of this Draft Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by the BSE to us, post scrutiny of this Draft Letter of Offer will be produced by our Company in the Letter of Offer.

#### **NO OFFER IN ANY JURISDICTION OUTSIDE INDIA**

**NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.**

#### **FILING**

For details, please see the section titled “*General Information*” beginning on page 46 of this Draft Letter of Offer.

## CONSENTS

Consents in writing of our Promoter, Directors, Auditors, Banker to the Company, Banker to Issue, Lead Manager and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

## EXPERT OPINION

Except for the reports in the sections titled “*Restated Financial Statements*” and “*Statement of Tax Benefits*” beginning on pages 113 and 64 of this Draft Letter of Offer, from the Statutory Auditors, our Company has not obtained any expert opinions.

## PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF OUR COMPANY

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Draft Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

## PERFORMANCE VIS-À-VIS OBJECTS – LAST ISSUE OF LISTED SUBSIDIARIES OR ASSOCIATES

Our Company does not have any subsidiaries or associate companies as on the date of this Draft Letter of Offer.

## STOCK MARKET DATA OF THE EQUITY SHARES

Our Equity Shares are listed and traded on BSE. For details in connection with the stock market data of the Stock Exchanges, please see the section titled “*Stock Market Data for Equity Shares*” beginning on page 146 of this Draft Letter of Offer.

## LISTING

The Designated Stock Exchange for the purposes of the Right Issue will be BSE Limited. Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

## INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

Our Company has adequate arrangements for the redressal of investor complaints. Redressal norm for response time for all correspondence including shareholders complaints is within 15 (fifteen) days. Additionally, we have been registered with SCORES, as required by the SEBI Circular no. CIR/OIAE/2/2011 dated June 3, 2011. Letters are filed category wise after being duly attended. A well-arranged correspondence system has been developed for letters of a routine nature.

Our Company has constituted Stakeholders Relationship Committee which currently comprises of the following members: -

Sr. No	Name of Members	Designation	Status
1.	Dr. Rajnish Kumar Pandey	Independent Director	Chairman
2.	Dhananjay Parikh	Independent Director	Member
3.	Lucy Massey	Non-Executive Director	Member

Our Company provides easy access to information regarding our services and ensure timely disclosures of financial as well as non-financial material information. Grievances are resolved in a timely, efficient and fair manner, and processes are promptly initiated to prevent recurrence.

## GRIEVANCE REDRESSAL MECHANISM

The Company has an established mechanism for investor services and grievance handling, with RTA and the Compliance Officer of the Company for this purpose, being important functional nodes.

Some of the key steps undertaken by the Company for handling Investor Grievances are enumerated as follows:

- Purva Shareregistry (India) Private Limited (RTA) is entrusted with handling all share related matters.

- Investors can lodge a complaint by giving details of their name, folio no., DP ID / Client ID, nature and full particulars of their complaint directly to the company at [scandentimaging@gmail.com](mailto:scandentimaging@gmail.com)
- All the investor complaints/grievance received through SEBI by online “SEBI Complaints Redress System” (SCORES) are checked regularly and replied/resolved expeditiously.
- As required under Regulation 13 of the Listing Regulations, the Company files with the Stock Exchanges and places the statement of investor complaints at the Board meeting on a quarterly basis.

### **Status of outstanding investor complaints**

As on the date of this Draft Letter of Offer, there is no outstanding investors complaints.

As mentioned, our Company is registered with the SCORES. Consequently, Investor grievances are tracked online by our Company. The average time taken by the Registrar to the Issue for attending to routine grievances will be within 15 (fifteen) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner

### **Investor Grievances arising out of the Issue**

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue. The agreement between the Company and the Registrar to the Issue provides for a period for which records shall be retained by the Registrar to the Issue in order to enable the Registrar to the Issue to redress grievances of Investors.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB in case of ASBA process, giving full details such as Folio No. / Demat Account No., name and address, contact telephone/ cell numbers, email id of the first Applicant, number of Rights Equity Shares applied for, serial number of Application Form, amount blocked (in case of ASBA process) the name of the bank/ SCSB and the branch where the Application Form was deposited, along with a photocopy of the acknowledgement slip (in case of ASBA process)). In case of renunciation, the same details of the Renouncee should be furnished. For details on the ASBA, please see the section titled “*Terms of the Issue*” beginning on Page 178 of this Draft Letter of Offer.

Investors may contact the Compliance Officer at the below mentioned address and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post -Issue related problems such as non-receipt of allotment advice / share certificates / Demat credit / refund orders etc.

### **Registrar to the Issue**

Purva Sharegistry (India) Private Limited  
 Tel No: 91-22-2301 2518/6761  
 Email Id: [support@purvashare.com](mailto:support@purvashare.com)  
 Website: [www.purvashare.com](http://www.purvashare.com)  
 Contact Person: Deepali Dhuri  
 SEBI Registration No.: INR000001112

### **Company Secretary and Compliance Officer**

**Sapna Vaishnav**  
 A-357, Road No. 26,  
 Wagle Industrial Estate,  
 MIDC, Thane (West) – 400604, Maharashtra, India  
 Email: [csscandent@gmail.com](mailto:csscandent@gmail.com)  
 Website: [www.scandent.in](http://www.scandent.in)  
 Tel.: 022-4184 2201

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([www.purvashare.com](http://www.purvashare.com)). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties is: +91-22-2301 2518/6761.



## SECTION VII - ISSUE INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Managers are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Relaxation Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.*

*Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renounee) shall make an application for a rights issue only through ASBA facility.*

*This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, If any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.*

### DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access the Draft Letter of Offer, the Abridged Letter of Offer, Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- our Company at [www.scandent.in](http://www.scandent.in)
- the Registrar to the Issue at [www.purvashare.com](http://www.purvashare.com)
- the Lead Managers at [www.fedsec.in](http://www.fedsec.in)
- the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com)

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the issue at [www.purvashare.com](http://www.purvashare.com) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company at [www.scandent.in](http://www.scandent.in)

**Please note that neither our Company nor the Registrar nor the Lead Managers shall be responsible for non- dispatch of physical copies of Issue materials, including the Draft Letter of Offer, the Abridged Letter of Offer, Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of**

**the Draft Letter of Offer, the Abridged Letter of Offer, Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e- mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer has been filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes and Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Equity Shares under the laws of any jurisdiction which apply to such person.

#### **PROCESS OF MAKING AN APPLICATION IN THE ISSUE**

**In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see under the heading *“Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders”* on page 146 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB

**Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). For details see “Grounds for Technical Rejection” on page 184 of this Draft Letter of Offer. Our Company, the Lead Managers and the Registrar shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” beginning on page 186 of this Draft Letter of Offer.

#### ***Options available to the Eligible Equity Shareholders***

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i. apply for its Equity Shares to the full extent of its Rights Entitlements; or
- ii. apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part);  
or
- iii. apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv. apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares;  
or
- v. renounce its Rights Entitlements in full.

#### **PROCEDURE FOR APPLICATION THROUGH ASBA FACILITY**

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application,

#### ***Self-Certified Syndicate Banks***

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please see <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference

number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Eligible Shareholders may apply for the Issue Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Eligible Shareholders while applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

***Do's for Investors applying through ASBA:***

- a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be Allotted in the dematerialized form only.
- c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- f) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

***Dont's for Investors applying through ASBA:***

- a) Do Not apply if you are not eligible to participate in the issue under the securities laws applicable to your jurisdiction.
- b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

- c) Do not send your physical Application to the Lead Managers, the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- e) Do not submit Application Form using third party ASBA account.

#### **PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder. For further details, see ***“Terms of the Issue – Credit of Rights Entitlement in dematerialized account of Eligible Equity Shareholders”*** on page 188 of this Draft Letter of Offer.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

*Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:*

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date.
2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
3. The remaining procedure for Application shall be same as set out in ***“Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process”*** beginning on page 186 of this Draft Letter of Offer.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

#### ***Application for Additional Equity Shares***

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the applicable Regulations and in the manner as set out in ***“Basis of Allotment”*** beginning on page 200 of this Draft Letter of Offer.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares.**

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

***Additional general instructions for Investors in relation to making of an Application***

- a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***” on page 186 of this Draft Letter of Offer.
- d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- e) Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar or the Lead Managers.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“Demographic Details”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Managers shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

- h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- j) Investors should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Managers, SCSBs or the Registrar will not be liable for any such rejections.
- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- l) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- m) Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit multiple Applications.
- s) No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Managers and our Company will not be responsible for any allotments made by relying on such approvals.
- t) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

### ***Grounds for Technical Rejection***

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- (c) Sending an Application to the Lead Manager, Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Investors.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (q) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- (r) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (s) Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

### ***Multiple Applications***

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the



Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “*Procedure for Applications by Mutual Funds*” on page 198 of this Draft Letter of Offer.

In cases where Multiple Application Forms are submitted, including cases where (a) an Shareholders submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on ASBA, such Applications shall be treated as multiple applications and are liable to be rejected.

#### **MAKING OF AN APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS ON PLAIN PAPER UNDER ASBA PROCESS**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Managers. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Family Care Hospitals Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Equity Shares entitled to;
8. Number of Equity Shares applied for within the Rights Entitlements;
9. Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Equity Shares applied for;
11. Total amount paid at the rate of ₹ [●] per Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;

13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders are deemed to have accepted the following:

*“I/ We understand that neither the Rights Entitlements nor the Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (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.*

*I/ we understand the Equity Shares referred to in this application are being offered and sold (i) in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to existing shareholders who are non-U.S. Persons and located in jurisdictions where such offer and sale of the Equity Shares is permitted under laws of such jurisdictions and (ii) within the United States or to U.S. Persons that are “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) (“U.S. QIB”) pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act, that are also “qualified purchasers” (as defined under the United States Investment Company Act of 1940, as amended) (“QPs”) in reliance upon section 3(c)(7) of the U.S. Investment Company Act.*

*I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and a non-U.S. Person and eligible to subscribe for the Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Managers or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Managers or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

*I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.*

*I/ We understand and agree that the Rights Entitlements and Equity Shares may not be reoffered, resold, pledged or otherwise except in an offshore transaction in accordance with Regulation S to a person outside the United States and not reasonably known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the Stock Exchanges).*

*I/ We acknowledge that we, the Lead Managers, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”*

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Managers and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.purvashare.com](http://www.purvashare.com)

Our Company, the Lead Managers and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

### ***Acceptance of this Issue***

Eligible Equity Shareholders may accept this Issue and apply for the Issue Shares submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected. Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section "***Making of an Application by Eligible Equity Shareholders on plain paper under ASBA Process***" on page 119 of this Draft Letter of Offer.

### **CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.purvashare.com](http://www.purvashare.com)) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.scandent.in](http://www.scandent.in)).

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares under dispute, including any court proceedings, as applicable g) non-institutional equity shareholders in the United States.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity

Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e [www.purvashare.com](http://www.purvashare.com)). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

## **RENUNCIATION & TRADING OF THE RIGHTS ENTITLEMENTS**

### ***Renounees***

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

### ***Renunciation of Rights Entitlements***

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer.

### ***Procedure for Renunciation of Rights Entitlements***

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the “On Market Renunciation”); or (b) through an off-market transfer (the “Off Market Renunciation”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat

account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

***Payment Schedule of Issue Equity Shares.***

₹ [●] per Issue Share (including premium of ₹ [●] per Issue Share) shall be payable on Application.

**The Lead Managers and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.**

**a. On Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

**b. Off Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip

to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

***Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.***

## **BASIS FOR THIS ISSUE**

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in the dematerialized form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date i.e. [●].

### ***Terms of Payment***

Full amount of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) shall be payable on Application.

### ***Fractional Entitlements***

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

### ***Ranking***

The Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and Allotted under this Issue shall rank pari-passu with the existing Equity Shares, in all respects including dividends.

### ***Listing and trading of the Equity Shares to be issued pursuant to this Issue***

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received In-Principle

approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip code: 516110) under the ISIN: INE146N01016. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within seven days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Equity Shares, and if any such money is not refunded/ unblocked within eight days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

#### ***Subscription to this Issue by our Promoter and members of the Promoter Group***

For details of the intent and extent of subscription by our Promoter, see “***Capital Structure - Intention and extent of participation by our Promoter***” on page 63.

#### ***Rights of Holders of Equity Shares of our Company***

Subject to applicable laws, Shareholders who have been Allotted Equity Shares pursuant to the Issue shall have the following rights:

- a. The right to receive dividend, if declared;
- b. The right to receive surplus on liquidation;
- c. The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d. The right to free transferability of Equity Shares;
- e. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in the Letter of Offer; and
- f. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

### **GENERAL TERMS OF THE ISSUE**

#### ***Market Lot***

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

#### ***Joint Holders***

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.



### ***Nomination***

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

**Since the Allotment of Rights Equity Shares shall be in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants (“DPs”) of the Eligible Equity Shareholders (Investors) would prevail. Any Eligible Equity Shareholders (Investor) holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its respective Depository Participant.**

### ***Arrangements for Disposal of Odd Lots***

The Rights Equity Shares will be traded in dematerialised form only and therefore the marketable lot is one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

### ***Notices***

In accordance with the SEBI ICDR Regulations and the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. However, the Letter of offer Abridged Letter of Offer, Application Form and other applicable Issue materials will be made available on the websites of the Company, registrar to the issue, stock exchanges and the lead manager to the issue. Further, best efforts will be made to reach out the Eligible Equity Shareholders who have not registered their e-mail id with our Company including but not limited to sending SMS or audio-visual advertisement on television or digital advertisement, etc.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai, where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

### ***Offer to Non-Resident Eligible Equity Shareholders/Investors***

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Rights Equity Shares to non-resident Equity Shareholders including additional Rights Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at email [support@purvashare.com](mailto:support@purvashare.com) or physically/postal means at the address of the Registrar mentioned on the cover page



of this Draft Letter of Offer. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Managers and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the email address of non-resident Eligible Equity Shareholders who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Managers and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Managers.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at the office of the registrar to the issue at 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Near Lodha Excelus, Lower Parel (E), Mumbai – 400011, Maharashtra, India or e-mail at [support@purvashare.com](mailto:support@purvashare.com) .

#### **ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM**

**PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 201 OF THIS DRAFT LETTER OF OFFER.**

#### **ISSUE SCHEDULE**

<b>Issue Opening Date</b>	[•]
<b>Last date for on-market renunciation of rights / Date of closure of trading of Rights Entitlement<sup>#</sup></b>	[•]
<b>Issue Closing Date*</b>	[•]
<b>Finalising the basis of allotment with the Designated Stock Exchange (on or about)</b>	[•]
<b>Date of Allotment (on or about)</b>	[•]
<b>Date of credit (on or about)</b>	[•]
<b>Date of listing (on or about)</b>	[•]

*# Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

*\*Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue*

*Opening Date*). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

## **PROCEDURE FOR APPLICATION**

### ***How to Apply***

**In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or the optional mechanism.**

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date i.e. [●], see ***“Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form”*** on page 182 of this Draft Letter of Offer.

### ***Application Form***

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address of the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email-to-email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdiction.

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders by other means if feasible in the current COVID-19 situation. However, our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Issue Materials and the Application Form. However, the Letter of offer Abridged Letter of Offer, Application Form and other applicable Issue materials will be made available on the websites of the Company, registrar to the issue, stock exchanges and the lead manager to the issue. Further, best efforts will be made to reach out the Eligible Equity Shareholders who have not registered their e-mail id with our Company including but not limited to sending SMS or audio-visual advertisement on television or digital advertisement, etc.

**Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar([www.purvashare.com](http://www.purvashare.com)) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company ([www.scandent.in](http://www.scandent.in)).

The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat

suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date i.e. [●] and applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts and make online payment using the internet banking or UPI facility from their own bank account thereat. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

**Please note that Applications without depository account details shall be treated as incomplete and shall be rejected**

**Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see “*Grounds for Technical Rejection*” on page 184 of this Draft Letter of Offer. Our Company, the Lead Manager, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Application on Plain Paper under ASBA process*” on page 186 of this Draft Letter of Offer.

#### ***Applications by Overseas Corporate Bodies***

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (“OCBs”), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003.

Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renounee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s). The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and are not and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renounee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the Application Form.

#### ***Investment / Procedure for applications by FPIs***

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, 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 that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. 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 an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

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 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.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

#### ***Investment by Systemically Important Non-Banking Financial Companies (NBFC – SI)***

In case of an application made by Systemically Important NBFCs registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45 – IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

#### ***Investment by AIFs, FVCIs, VCFs and FDI Route***

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Managers and our Company will not be responsible for any allotments made by relying on such approvals.

#### ***Applications by mutual funds***

A separate application can be made in respect of each scheme of an Indian mutual fund registered with the Board and that such applications shall not be treated as multiple applications. the application made by an asset management company or by custodian of a mutual fund shall clearly indicate the name of the concerned scheme for which the application is being made.

#### ***Procedure for Applications by non-resident Indians (NRIs)***

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should 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 will 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 warrants. 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.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

#### ***Payment by stock invest***

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest Scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

#### ***Last Date for Application***

The last date for submission of the duly filled in Application Form is the Issue Closing Date i.e., [●]. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the provisions of the Articles of Association, and subject to the Issue Period not exceeding 30 days from the Issue Opening Date i.e. [●]

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as provided under the section, “***Basis of Allotment***” on page 200 of this Draft Letter of Offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

#### ***Withdrawal of Application***

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period (before Issue Closing) by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

### ***Disposal of Application and Application Money***

**No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form to the Eligible Equity Shareholders upon submission of the Application.**

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

### **MODES OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of subscription money and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### ***For Resident Investors***

All payments on the Application Forms shall be made only through ASBA. Applicants are requested to strictly adhere to these instructions.

### ***For Non-Resident Investors***

As regards Applications by Non-Resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company or the Lead Manager.

*Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case, who make a request in this regard. Non-Resident Investors shall send their Rights Entitlement credit request with ID proof to the Registrar to the Issue at <http://www.purvashare.com/> or at the Office of Registrar to the Issue situated at 9, Shiv Shakti Industrial Estate, J. R. Boricha, Near Lodha Excelus, Lower Parel East, Mumbai – 400011, India.*

- Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.
- Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.

**PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE I.E. [●] AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

#### **BASIS OF ALLOTMENT**

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be



at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

- (d) Allotment to Renounees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Designated Branches or Controlling branches, a list of the ASBA Investors who have been Allotted Rights Equity Shares in the Issue, along with:

- (a) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;
- (b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- (c) The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

#### **ALLOTMENT ADVICES/REFUND ORDERS/UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund instructions/intimations (including in respect of Applications made through the optional facility) or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company and "our Directors" who are officers in default shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

In case of those investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, and the Allotment advice regarding their credit of the Rights Equity Shares shall be sent at the address recorded with the Depository. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 4 days of the Issue Closing Date i.e. [●].

The letter of allotment or refund order would be sent by registered post or speed post to the sole/ first Investor's address provided by the Eligible Equity Shareholders to our Company. Such refund orders would be payable at par at all places where the Applications were originally accepted. The same would be marked 'Account Payee



only' and would be drawn in favor of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

Notes:

1. There will be no voting rights against such Rights Equity Shares kept in the demat suspense account. However, the respective Eligible Equity Shareholders will be eligible to receive dividends, if declared, in respect of such Rights Equity Shares in proportion to amount paid-up on the Rights Equity Shares, as permitted under applicable laws.
2. Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. The Eligible Equity Shareholders should obtain their own independent tax and legal advice and may not rely on our Company or any of their affiliates including any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Rights Equity Shares (including but not limited to any applicable short-term capital gains tax, or any other applicable taxes or charges in case of any gains made by such Eligible Equity Shareholders from the sale of such Rights Equity Shares).
3. The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not be liable in any manner and not be responsible for acts, mistakes, errors, omissions and commissions, etc., in relation to any delay in furnishing details of demat account by such Eligible Equity Shareholders, any resultant loss to the Eligible Equity Shareholders due to sale of the Rights Equity Shares, if such details are not correct, demat account is frozen or not active or in case of non-availability of details of bank account of such Eligible Equity Shareholders, profit or loss to such Eligible Equity Shareholders due to aforesaid process, tax deductions or other costs charged by our Company, or on account of aforesaid process in any manner.

## **PAYMENT OF REFUND**

### ***Mode of making refunds***

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility.

### ***Refund payment to Non-residents***

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

## **ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES**

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

### **Receipt of the Equity Shares in Dematerialized Form**

**PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.**

Investors shall be Allotted the Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement with NSDL and an agreement with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

**INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the electronic form is as under:

- Open a beneficiary account with any Depository Participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for each such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
- The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
- If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
- Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
- Non-transferable allotment advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.
- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares in this Issue must check the procedure for application by and credit of Rights Equity Shares to such Eligible Equity Shareholders in "***Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form***" and "***Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form***" as mentioned above.

#### **IMPERSONATION**

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

*"Any person who:*

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- 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*
- 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 ₹ 10 lakhs 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 ten (10) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three (3) times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lakhs or with both.

### **MINIMUM SUBSCRIPTION**

The objects of the Issue are Business Development, Branding, Sales and Marketing Expenses, meeting the Working Capital Requirements and General Corporate Purpose, and do not involve financing of capital expenditure for a project.

Further, our Promoter and members of the Promoter Group, through their letter dated November 3, 2022 have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements and shall not participate over and above their Rights Entitlements.

Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue and the size of the issue will stand reduced to the extent of the Rights Issue subscribed.

### **UTILIZATION OF ISSUE PROCEEDS**

Our Board of Directors/ Rights issue Committee members declares that:

- A. All monies received out of issue of shares or specified securities to the public shall be transferred to a separate bank account.
- B. Details of all monies utilised out of the issue referred to in clause (A) shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilised; and
- C. Details of all unutilised monies out of this issue referred to in clause (A) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- i. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- ii. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.
- iii. The funds required for making refunds/unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- iv. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- v. In case of refund/unblocking of the application money/amount for unsuccessful applicants or part of the application money / amount in case of proportionate allotment, a suitable communication shall be sent to the applicants.
- vi. Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.
- vii. Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes

any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

## **INVESTOR GRIEVANCES, COMMUNICATION & IMPORTANT LINKS**

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “**Family Care Hospitals Limited – Rights Issue**” on the envelope and postmarked in India or in the email) to the Registrar at the following address:

### **PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED**

9, Shiv Shakti Industrial Estate,  
J. R. Boricha Marg, Near Lodha Excelus,  
Lower Parel (E), Mumbai – 400011, Maharashtra, India.  
**Tel No:** 91-22-2301 8261/6761  
**Fax No.:** 91-22-2301 2517

**Email Id:** [support@purvashare.com](mailto:support@purvashare.com)

**Website:** [www.purvashare.com](http://www.purvashare.com)

**Contact Person:** Deepali Dhuri

**SEBI Registration No.:** INR000001112

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([www.purvashare.com](http://www.purvashare.com)). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 91-22-2301 2518/6761.

The Investors can visit links [www.purvashare.com](http://www.purvashare.com) or [www.scandent.in](http://www.scandent.in) for the below-mentioned purposes:

- a. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors
- b. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company
- c. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form
- d. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders

This Issue will remain open for a minimum 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

## 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, of the Government of India, 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, 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. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“DPIIT”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“FDI Circular 2020”), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA 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 SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue.

The Lead Managers and our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

*The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

## **SECTION VIII – OTHER INFORMATION**

### **STATUTORY INFORMATION**

Please note that the Rights Equity Shares applied for under this Issue will be allotted only in dematerialized form and will be credited to (a) the same depository account / corresponding PAN in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least 2 working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense escrow account where the credit of the Rights Entitlements returned/reversed/failed.

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, may be inspected at the registered office of the Company between 10 a.m. and 5 p.m. on all working days from the date of the Letter of Offer until the Issue Closing Date and Additionally, any person intending to inspect the abovementioned contracts and documents electronically, may do so, by writing an email to [csscandent@gmail.com](mailto:csscandent@gmail.com)*

### **A) Material contracts for the Issue**

1. Issue Agreement dated November 4, 2022 between our Company and the Lead Manager.
2. Registrar Agreement dated November 4, 2022 between our Company and Registrar to the Issue.
3. Bankers to the Issue Agreement dated [●] amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
4. Tripartite agreement amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue
5. Tripartite agreement amongst our Company, National Securities Depository Limited and Registrar to the Issue.

### **B) Material documents for the Issue**

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated June 29, 2022 and Right Issue Committee dated November 3, 2022 in relation to the Issue and other related matters.
3. Resolution passed by our Rights Issue Committee dated [●] finalizing the terms of the Issue including Record Date and the Rights Entitlement ratio.
4. Consents of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory Auditor, Lead Manager, Legal Advisor to the Issue, the Registrar to the Issue, Bankers to our Company, and Banker to the Issue to include their names in this Draft Letter of Offer and to act in their respective capacities.
5. The Restated Audit Report dated August 22, 2022 of the Statutory Auditor, on our Company's Restated Financial Statements, included in this Draft Letter of Offer.
6. Statement of Special Tax Benefits report by our Statutory Auditor, M/s. S. M. Gupta and Co., Chartered Accountants, dated July 04, 2022.
7. Annual Reports of our Company for Fiscal 2022, 2021 and 2020 and limited review report for the three months period ended on June 30, 2022.
8. In-principle listing approvals dated [●] issued by BSE respectively under Regulation 28(1) of the SEBI Listing Regulations.

Any of the contracts or documents mentioned in this Draft Letter of Offer 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 Eligible Equity Shareholders, subject to compliance with applicable law.



## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be.

We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### SIGNED BY THE DIRECTORS OF THE COMPANY

<b>Pandoo Naig</b> Managing Director	Sd/-
<b>Lucy Massey</b> Non-Executive Director	Sd/-
<b>Rajnish Kumar Pandey</b> Independent Director	Sd/-
<b>Dhananjay Parikh</b> Independent Director	Sd/-
<b>Suryakant Laxman Khare</b> Additional Non-Executive Director	Sd/-
<b>Aneish Kumaran Kumar</b> Additional Independent Director	Sd/-

Signed by the – Chief Financial Officer and Company Secretary of our Company

Sd/-

Sd/-

**Amit Tyagi**  
(Chief Financial Officer)

**Sapna Vaishnav**  
(Company Secretary and Compliance Officer)

**Place:** Mumbai

**Date:** November 9, 2022