



## MEDI ASSIST HEALTHCARE SERVICES LIMITED

Our Company was incorporated on June 7, 2000 as a private limited company under the Companies Act, 1956, with the name "Net Logistics Private Limited" and a certificate of incorporation granted by the Registrar of Companies, Karnataka (the "RoC"). Subsequently, the name of our Company was changed to "Medi Assist Healthcare Services Private Limited" with a fresh certificate of incorporation granted by the RoC on November 21, 2012. Pursuant to the conversion of our Company to a public limited company and as approved by the shareholders of our Company pursuant to a special resolution dated February 27, 2018, the name of our Company was changed to "Medi Assist Healthcare Services Limited" and the RoC issued a fresh certificate of incorporation on March 20, 2018. For further details of change in the name of our Company, see "History and Certain Corporate Matters - Amendments to our Memorandum of Association" on page 155.

Corporate Identity Number: U74900KA2000PLC027229

Registered and Corporate Office: Tower D, 4<sup>th</sup> floor, IBC Knowledge Park, 4/1 Bannerghatta Road, Bengaluru 560 029, Karnataka, India; Tel: (+91 80) 6919 0000

Contact Person: Megha Matoo, Chief Compliance Officer and Company Secretary; E-mail: investor.relations@mediassist.in; Website: www.mediassist.in

### OUR PROMOTERS: DR. VIKRAM JIT SINGH CHHATWAL, MEDIMATTER HEALTH MANAGEMENT PRIVATE LIMITED AND BESSEMER INDIA CAPITAL HOLDINGS II LTD

INITIAL PUBLIC OFFERING OF UP TO 28,028,168 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH (THE "EQUITY SHARES") OF MEDI ASSIST HEALTHCARE SERVICES LIMITED ("OUR COMPANY" OR "THE COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") COMPRISING AN OFFER FOR SALE OF UP TO 2,539,092 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY DR. VIKRAM JIT SINGH CHHATWAL, UP TO 12,468,592 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY MEDIMATTER HEALTH MANAGEMENT PRIVATE LIMITED ("MEDIMATTER HEALTH"), UP TO 153,126 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY BESSEMER INDIA CAPITAL HOLDINGS II LTD ("BICH-II"), AND TOGETHER WITH DR. VIKRAM JIT SINGH CHHATWAL AND MEDIMATTER HEALTH, THE "PROMOTER SELLING SHAREHOLDERS"), UP TO 6,606,084 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY BESSEMER HEALTH CAPITAL LLC ("BESSEMER HEALTH"), UP TO 6,110,152 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY INVESTCORP PRIVATE EQUITY FUND I (TOGETHER WITH BESSEMER HEALTH, THE "INVESTOR SELLING SHAREHOLDERS"), AND UP TO 151,122 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY THE OTHER SELLING SHAREHOLDERS (AS DEFINED HEREINAFTER AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS AND INVESTOR SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS" AND SUCH OFFER BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE 40.70% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

\* Includes 537,080 Equity Shares held jointly with Dr. Vikram Jit Singh Chhatwal

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDERS, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS (THE "BRLMS") AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED KANNADA DAILY NEWSPAPER, KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA, WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED) AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS") AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (THE "BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (THE "NSE"), AND TOGETHER WITH THE BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.

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

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the "SCRR") read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, where not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Category"), provided that our Company and Promoter Selling Shareholders in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the "Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category (other than Anchor Investor Portion). Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors ("NIIs") and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("RIIs"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (other than Anchor Investors) shall mandatorily participate in this Offer through the Application Supported by Block Amount ("ASBA") process, and shall provide details of their respective bank account (including UPI ID for Retail Individual Investors using UPI Mechanism) in which the Bid Amount will be blocked by the SCSBs or the Sponsor Bank, as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, specific attention is invited to "Offer Procedure" on page 325.

### RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 5. The Offer Price, Floor Price and Price Band, as determined and justified by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, and as stated in "Basis for Offer Price" on page 86, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

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

### ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms that the statements specifically made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to itself and its portion of the Offered Shares in the Offer for Sale and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, assumes no responsibility for any other statement, including, *inter alia*, any of the statements made by or relating to our Company or its business or any other Selling Shareholders.

### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. We have received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purpose of this Offer, [●] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 364.

### BOOK RUNNING LEAD MANAGERS

### REGISTRAR TO THE OFFER

				
<b>Axis Capital Limited</b> 1 <sup>st</sup> Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli Mumbai 400 025 Maharashtra, India <b>Tel:</b> (+ 91 22) 4325 2183 <b>E-mail:</b> mhsl@axiscap.in <b>Website:</b> www.axiscapital.co.in <b>Investor grievance E-mail:</b> complaints@axiscap.in <b>Contact person:</b> Ankit Bhatia <b>SEBI Registration No.:</b> INM000012029	<b>Edelweiss Financial Services Limited</b> 6 <sup>th</sup> Floor, Edelweiss House Off C.S.T. Road, Kalina Mumbai 400 098 Maharashtra, India <b>Tel:</b> (+ 91 22) 4009 4400 <b>E-mail:</b> mediassist ipo@edelweissfin.com <b>Website:</b> www.edelweissfin.com <b>Investor grievance E-mail:</b> customerservice.mb@edelweissfin.com <b>Contact person:</b> Nitesh Bhanushali/ Abhay Singh <b>SEBI Registration No.:</b> INM0000010650	<b>IIFL Securities Limited</b> 10 <sup>th</sup> Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Maharashtra, India <b>Tel:</b> (+ 91 22) 4646 4600 <b>E-mail:</b> mediassist.ipo@iiflcap.com <b>Website:</b> www.iiflcap.com <b>Investor grievance E-mail:</b> ig_ib@iiflcap.com <b>Contact person:</b> Pinkesh Soni / Sachin Jagad <b>SEBI Registration No.:</b> INM000010940	<b>SBI Capital Markets Limited</b> 202, Maker Tower 'E' Cuffe Parade Mumbai 400 005 Maharashtra, India <b>Tel:</b> (+ 91 22) 2217 8300 <b>E-mail:</b> mhsl.ipo@sbicaps.com <b>Website:</b> www.sbicaps.com <b>Investor grievance E-mail:</b> investor.relations@sbicaps.com <b>Contact person:</b> Gaurav Mittal/ Janardhan Wagle <b>SEBI Registration No.:</b> INM000003531	<b>Link Intime India Private Limited</b> C-101, 1 <sup>st</sup> Floor, 247 Park, Lal Bhadur Shastri Marg, Vikhroli (West) Mumbai 400 083 Maharashtra, India <b>Tel:</b> (+ 91 22) 4918 6200 <b>E-mail:</b> mahs.ipo@linkintime.co.in <b>Website:</b> www.linkintime.co.in <b>Investor grievance E-mail:</b> mahs.ipo@linkintime.co.in <b>Contact person:</b> Shanti Gopalkrishnan <b>SEBI Registration No.:</b> INR000004058

### BID/OFFER PERIOD

BID/OFFER OPENS ON<sup>(1)</sup>

BID/OFFER CLOSES ON<sup>(2)</sup>

<sup>(1)</sup> Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date.

<sup>(2)</sup> Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations.

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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies or unless otherwise specified, the following terms and abbreviations have the following meanings in this Draft Red Herring Prospectus, and references to any statute or rules or guidelines or regulations or circulars or notifications or policies will include any amendments, clarifications, modifications, replacements or re-enactments notified thereto, from time to time.

Unless the context otherwise indicates, all references to “**the Company**”, and “**our Company**”, are references to Medi Assist Healthcare Services Limited, a company incorporated in India under the Companies Act 1956 with its registered and corporate office at Tower D, 4<sup>th</sup> floor, IBC Knowledge Park, 4/1 Bannerghatta Road, Bengaluru 560 029, Karnataka, India. Furthermore, unless the context otherwise indicates, all references to the terms “**we**”, “**us**” and “**our**” are to our Company and our Subsidiary (as defined below) on a consolidated basis.

The words and expressions used but not defined in this Draft Red Herring Prospectus will (to the extent applicable) have the same meaning as assigned to such terms under the SEBI ICDR Regulations, Companies Act 2013, the Securities and Exchange Board of India Act, 1992, (the “**SEBI Act**”), the Securities Contracts (Regulation) Act, 1956 (the “**SCRA**”), the Depositories Act, 1996 (the “**Depositories Act**”) and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “**Main Provisions of the Articles of Association**”, “**Statement of Special Tax Benefits**”, “**Industry Overview**”, “**Key Regulations and Policies in India**”, “**Financial Statements**”, “**Outstanding Litigation and Material Developments**”, “**Basis for Offer Price**” and “**Government and Other Approvals**”, on pages 341, 89, 94, 148, 193, 298, 86 and 303 respectively, will have the meaning ascribed to such terms in these respective sections.

#### Company Related Terms

Term	Description
AoA/Articles of Association or Articles	The articles of association of our Company, as amended
Audit Committee	The audit committee of our Board, as described in “ <b>Our Management</b> ” on page 172
Auditors/ Statutory Auditors	The statutory auditors of our Company, being B S R & Co. LLP, Chartered Accountants
Bessemer Health	Bessemer Health Capital LLC
BICH-II	Bessemer India Capital Holdings II Ltd
Board/ Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Buddhimed	Buddhimed Technologies Private Limited
Buddhimed SPA	Share purchase agreement dated March 30, 2021 executed by and amongst our Company, IHX Private Limited and Buddhimed
CEO	Chief Executive Officer of our Company
Chief Financial Officer/ CFO	Chief financial officer of our Company
Chief Compliance Officer and Company Secretary	The compliance officer and company secretary of our Company
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board, as described in “ <b>Our Management</b> ” on page 176
Demerger Scheme	Scheme of arrangement between our Company and Mandala, approved by the National Company Law Tribunal, Bengaluru Bench pursuant to an order dated November 4, 2020
DHS	Dedicated Healthcare Services TPA (India) Private Limited
DHS Amalgamation Scheme	Scheme of amalgamation between Medi Assist TPA and DHS, approved by the Regional Director - Hyderabad, Ministry of Corporate Affairs pursuant to an order dated April 6, 2018
Director(s)	The director(s) on our Board of Directors, as described in “ <b>Our Management</b> ” on page 165
Equity Shares	The equity shares of our Company having a face value of ₹ 5 each
F&S	Frost & Sullivan (India) Private Limited
F&S Report	Report titled “ <i>Indian Health Benefits Administration and Health Management Services Market Report</i> ” dated May 2021, prepared by F&S
GTM Agreement	Go to market agreement dated December 20, 2019 executed by and amongst our Company, Mandala and Phasorz

Term	Description
Group Companies	In terms of SEBI ICDR Regulations, the term “group companies” includes companies (other than our corporate Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in “ <i>Our Group Companies</i> ” on page 188
Investcorp Private Equity Fund I	Investcorp Private Equity Fund I, a unit scheme of Investcorp Infrastructure Fund 1 managed by Investcorp India Asset Managers Private Limited. IDBI Trusteeship Services Limited is the trustee for this Fund. The Fund was earlier known as IDFC Private Equity Fund III, a unit scheme of IDFC Infrastructure Fund 3.
Independent Directors	Independent director(s) on our Board who are eligible to be appointed as independent directors under the provisions of the Companies Act 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” on page 165
Investor Selling Shareholders	Collectively, Bessemer Health and Investcorp Private Equity Fund I
KMP/ Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as described in “ <i>Our Management</i> ” on page 180
MAHS ESOP Scheme 2013	Medi Assist Healthcare Services Limited Employee Stock Option Scheme 2013
Mandala	Mandala Wellness Private Limited
Materiality Policy	The policy adopted by our Board pursuant to its resolution dated May 8, 2021 for identification of material Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the requirements under the SEBI ICDR Regulations
Master License Agreement	Master license agreement dated December 20, 2019 executed by and amongst our Company, Mandala and Phasorz
Medi Assist SPA - 1	Share purchase agreement dated December 21, 2010 executed by and amongst our Company, Reliance Health Ventures Limited and Medi Assist TPA
Medi Assist SPA - 2	Share purchase agreement dated May 27, 2011 executed by and amongst our Company, Nadathur Estates Private Limited and Medi Assist TPA
Medi Assist TPA	Medi Assist Insurance TPA Private Limited
Medimatter Health	Medimatter Health Management Private Limited (formerly known as Ayurshaili Arogya Chikitsa Private Limited)
Merger Implementation Agreement	Merger implementation agreement dated December 20, 2019 executed by and amongst our Company, Phasorz, Mandala and certain shareholders of our Company and Phasorz
MoA/Memorandum of Association	The memorandum of association of our Company, as amended
MSPL	Medybiz Services Private Limited
MSPL Amalgamation Scheme	Scheme of amalgamation between our Company and MSPL, approved by the Regional Director - Hyderabad, Ministry of Corporate Affairs pursuant to an order dated November 15, 2019
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in “ <i>Our Management</i> ” on page 174
Non-Executive Nominee Directors	Nominee directors of our Company, not being a Whole-time Director
OCPS	Optionally convertible redeemable preference shares of face value of ₹ 10 each
Other Selling Shareholders	Collectively, Rajan Mehra, Amit Kumar Patni, Arihant Patni, Vinay Sanghi (jointly with Seena Sanghi), Project Automobiles (Bombay) Private Limited, P. Shankar Rao (jointly with P. Neena Rao), Pramod Ahuja (jointly with Jyoti Ahuja), Ranjan Sanghi (jointly with Jayashree Sanghi), Vivek Pandit and Jaivardhan Sinha (jointly with Sonia Deb)
Other Shareholders’ Agreements	Share subscription and shareholders’ agreements entered into between our Company, Bessemer Health, Dr. Vikram Jit Singh Chhatwal and Medimatter Health and certain shareholders of our Company, as described in “ <i>History and Certain Corporate Matters - Other Material Agreements - Shareholders’ agreements entered into with certain Shareholders</i> ” on page 161
Phasorz	Phasorz Technologies Private Limited
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Promoters and Promoter Group</i> ” on page 183
Promoter Selling Shareholders	Collectively, Dr. Vikram Jit Singh Chhatwal, Medimatter Health and BICH-II
Promoters	The promoters of our Company, namely, Dr. Vikram Jit Singh Chhatwal, Medimatter Health and BICH-II
Registered and Corporate Office	The registered and corporate office of our Company, situated at Tower D, 4 <sup>th</sup> floor, IBC Knowledge Park, 4/1 Bannerghatta Road, Bengaluru 560 029, Karnataka, India
Restated Financial Statements	The restated consolidated financial statements of our Company which comprises the restated consolidated balance sheet, the restated consolidated profit and loss, the restated consolidated

Term	Description
	cash flow statement and the restated consolidated statement of changes in equity as at and for the nine months period ended December 31, 2020 and December 31, 2019 and as and for the Fiscals ended March 31, 2020, 2019 and 2018 together with the annexures and the notes thereto, prepared under Ind AS per the Ind AS Rules notified under Section 133 of the Companies Act 2013, and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note, and included in “ <b>Financial Statements</b> ” on page 193
Risk Management Committee	The risk management committee of our Board, as described in “ <b>Our Management</b> ” on page 176
RoC/ Registrar of Companies	Registrar of Companies, Karnataka
Selling Shareholders	Together, the Promoter Selling Shareholders, the Investor Selling Shareholders and Other Selling Shareholders
Series A CCPS	Series A compulsorily convertible preference shares of face value of ₹ 20,000 each
Series B CCPS	Series B compulsorily convertible preference shares of face value of ₹ 10 each
Shareholders	The holders of the Equity Shares from time to time
SPA	Share purchase agreement dated December 20, 2010 executed by and amongst Reliance Capital Limited, Medybiz Private Limited, Medimatter Health and our Company
SSSPA	Share subscription and share purchase agreement dated September 25, 2013 executed by and amongst Investcorp Private Equity Fund I, Bessemer Health, Dr. Vikram Jit Singh Chhatwal, Prashant Jhaveri, Manoj Balaji, Medimatter Health and our Company, read with subsequent amendment agreements and letter agreement
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Board, as described in “ <b>Our Management</b> ” on page 176
Subsidiary	Medi Assist TPA
Trademarks Assignment Agreement	Trademarks assignment agreement dated December 20, 2019 executed by and amongst our Company, Mandala and Phasorz
Transition Services Agreement	Transition services agreement dated December 20, 2019 executed by and amongst our Company and Phasorz
Whole-time Director	A whole-time director of our Company

#### Offer Related Terms

Term	Description
Acknowledgment Slip	The slip or document issued by the Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotted/Allotment/Allot	Unless the context otherwise requires, transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer to successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A QIB, who applies under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has bid for an amount of at least ₹ 100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus. The Anchor Investor Allocation Price shall be determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs on the Anchor Investor Bidding Date
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Offer Opening Date on which Bids by Anchor Investors shall be submitted, prior to and after which BRLMs will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and Promoter Selling Shareholders, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Category, which may be allocated by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, to Anchor Investors, on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations
Application Supported by Blocked Amount/ ASBA	An application (whether physical or electronic) by an ASBA Bidder to make a Bid authorizing the relevant SCSB to block the Bid Amount in the relevant ASBA Account and will include

<b>Term</b>	<b>Description</b>
	application made by RIIs using the UPI Mechanism, where the Bid amount will be blocked upon acceptance of UPI Mandate Request by RIIs
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which is blocked upon acceptance of a UPI Mandate Request made by the Retail Individual Investor using the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders bidding through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Axis	Axis Capital Limited
Banker(s) to the Offer	Collectively, the Escrow Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in “ <i>Offer Procedure</i> ” on page 322
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to the submission of an ASBA form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to subscribe for or purchase our Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term ‘Bidding’ shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer, as applicable  In the case of Retail Individual Investors Bidding at the Cut-off Price, the Bid Amount is the Cap Price multiplied by the number of Equity Shares Bid for by such RII and mentioned in the Bid cum Application Form
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including an ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bid, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered and Corporate Office is located). In case of any revisions, the extended Bid/ Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the BRLMs and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank. Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs may consider closing the Bid/ Offer Period for the QIB Category one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered and Corporate Office is located)
Bid/Offer Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may consider closing the Bid/ Offer Period for the QIB Category one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, and includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs

<b>Term</b>	<b>Description</b>
Book Building Process	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/ BRLMs	The book running lead managers to the Offer, in this case being Axis, Edelweiss, IIFL and SBICAP
Broker Centres	Broker centres of the Registered Brokers where ASBA Bidders can submit the ASBA Forms (in case of RIIs only ASBA Forms under UPI) to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges and updated from time to time
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares to be sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof
Circulars on Streamlining of Public Issues	Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 issued by SEBI, as amended by its circular (SEBI/HO/CED/DIL/CIR/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
Client ID	Client identification number of the Bidder's beneficiary account
Collecting Depository Participants/ CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered under SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	The Offer Price, finalised by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation, bank account details and UPI ID, as applicable
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where ASBA Bidders can submit the ASBA Forms (in case of RIIs only ASBA Forms under UPI). The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which the funds from the Escrow Account are transferred to the Public Offer Account or the Refund Account, as appropriate, and the relevant amounts blocked in the ASBA Accounts are transferred to the Public Offer Account(s) and /or are unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs  In relation to ASBA Forms submitted by RIIs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs  In relation to ASBA Forms submitted by QIBs and NIIs, Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs
Designated RTA Locations	Such centres of the RTAs where ASBA Bidders can submit the ASBA Forms (in case of RIIs only ASBA Forms under UPI). The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time



<b>Term</b>	<b>Description</b>
Designated Stock Exchange	[●]
DP/ Depository Participant	A depository participant as defined under the Depositories Act
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated May 10, 2021 filed with SEBI and Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which our Equity Shares will be Allotted and the size of the Offer, and includes any addenda or corrigenda thereto
Edelweiss	Edelweiss Financial Services Limited
Eligible FPI(s)	FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Escrow Account(s)	Account(s) opened with the Escrow Bank for the Offer and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS or NACH in respect of the Bid Amount when submitting a Bid
Escrow and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, and Banker(s) to the Offer for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account, and where applicable remitting refunds, if any, to such Bidders, on the terms and conditions thereof
Escrow Bank	A bank, which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being [●]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
General Information Document/ GID	The general information document for investing in public issues, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 notified by SEBI and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
IIFL	IIFL Securities Limited
Maximum RII Allottees	The maximum number of Retail Individual Investors who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Investors by the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) or [●] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Non-Institutional Category	The portion of the Offer being not less than 15% of the Offer, or [●] Equity Shares, available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price
Non-Institutional Investors/NIIs	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Offer	The initial public offer of up to 28,028,168 Equity Shares of face value of ₹ 5 each for cash at a price of ₹ [●] per Equity Shares aggregating up to ₹ [●] million through an Offer for Sale by the Selling Shareholders
Offer Agreement	The agreement dated May 10, 2021 entered into among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 28,028,168 Equity Shares aggregating to ₹ [●] million by the Selling Shareholders comprising of: (i) up to 2,539,092 Equity Shares aggregating up to ₹ [●] million by Dr. Vikram Jit Singh Chhatwal; (ii) up to 12,468,592* Equity Shares aggregating to ₹ [●] million by Medimatter Health; (iii) up to 153,126 Equity Shares aggregating up to ₹ [●] million by BICH-II; (iv) up to 6,606,084 Equity Shares aggregating up to ₹ [●] million by Bessemer Health; (v) up to 6,110,152 Equity Shares aggregating up to ₹ [●] million by Investcorp Private Equity Fund I; (vi) up to 17,038 Equity Shares aggregating up to ₹ [●] million by Rajan Mehra; (vii) up to 13,334 Equity Shares aggregating up to ₹ [●] million by Amit Kumar Patni; (viii) up to 13,334 Equity Shares aggregating up to ₹ [●] million by Arihant Patni; (ix) up to 8,149 Equity Shares aggregating up to ₹ [●] million by Vinay Sanghi (jointly with Seena Sanghi); (x) up to 8,149 Equity Shares aggregating up to ₹ [●] million by Project Automobiles (Bombay) Private Limited;

Term	Description
	(xi) up to 17,038 Equity Shares aggregating up to ₹ [●] million by P. Shankar Rao (jointly with P. Neena Rao); (xii) up to 17,038 Equity Shares aggregating up to ₹ [●] million by Pramod Ahuja (jointly with Jyoti Ahuja); (xiii) up to 5,186 Equity Shares aggregating up to ₹ [●] million by Ranjan Sanghi (jointly with Jayashree Sanghi); (xiv) up to 25,928 Equity Shares aggregating up to ₹ [●] million by Vivek Pandit; (xv) up to 25,928 Equity Shares aggregating up to ₹ [●] million by Jaivardhan Sinha (jointly with Sonia Deb), in terms of the Red Herring Prospectus and the Prospectus
	<i>* Includes 537,080 Equity Shares held jointly with Dr. Vikram Jit Singh Chhatwal</i>
Offer Price	The final price at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs in terms of the Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus
Offered Shares	The Equity Shares offered by the Selling Shareholders in the Offer by way of Offer for Sale
Price Band	Price band ranging from a Floor Price of ₹ [●] per Equity Share to a Cap Price of ₹ [●] per Equity Share, including revisions thereof, if any. The Price Band will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, and the minimum Bid Lot size will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, and advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered and Corporate Office is situated), at least two Working Days prior to the Bid/ Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company and the Promoter Selling Shareholders in consultation with the BRLMs, shall finalize the Offer Price
Prospectus	The prospectus to be filed with the RoC for this Offer on or after the Pricing Date in accordance with the provisions of Sections 26 and 32 of the Companies Act 2013 and the SEBI ICDR Regulations, containing the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The bank account to be opened with the Public Offer Account Bank under Section 40(3) of the Companies Act 2013 to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date
Public Offer Account Bank	The bank, which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations, with whom the Public Offer Account is opened for collection of Bid Amounts from the Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
QIB Category	The portion of the Offer, being not more than 50% of the Offer, or [●] Equity Shares, which shall be available for allocation to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price or the Anchor Investor Offer Price (for Anchor Investors)
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares shall be Allotted and which shall be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account	The account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank	The bank which is a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI
Registrar Agreement	The agreement dated May 7, 2021, entered into among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer	Link Intime India Private Limited
Retail Category	The portion of the Offer, being not less than 35% of the Offer, or [●] Equity Shares, available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price

<b>Term</b>	<b>Description</b>
Retail Individual Investors/ RIIs	Individual Bidders, whose Bid Amount for Equity Shares in the Offer is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB category and Non-Institutional Investors bidding in the Non-Institutional category are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during Bid/ Offer period and withdraw their Bids until Bid/ Offer Closing Date
SBICAP	SBI Capital Markets Limited
Self-Certified Syndicate Banks/ SCSBs	(i) The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the 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, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a>
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, in this case being [●]
Share Escrow Agreement	Agreement to be entered into among the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of the respective portion of Equity Shares being offered by each Selling Shareholder in the Offer for Sale portion of the Offer and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept Bid cum Application Forms, a list of which will be included in the Bid cum Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request by an RII in accordance with the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchanges	BSE and NSE
Syndicate Agreement	The agreement to be entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with SEBI and permitted to carry out activities as an underwriter, in this case being [●]
Syndicate or members of the Syndicate	Collectively, the BRLMs and the Syndicate Members
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into among our Company, the Selling Shareholders and the Underwriters, on or after the Pricing Date but before filing of the Prospectus
UPI	Unified Payments Interface which is an instant payment mechanism, developed by NPCI
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the Retail Individual Investors, by way of a notification on the UPI application and by way of an SMS directing the Retail Individual Investors to such UPI application) to the Retail Individual Investors using the UPI Mechanism initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment
UPI Circulars	The SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021 and any subsequent circulars or notifications issued by SEBI in this regard from time to time
UPI Mechanism	The Bidding mechanism that may be used by Retail Individual Investors to make Bids in the Offer in accordance with the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Day(s)	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/ Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/ Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India, as per the circulars issued by SEBI from time to time

## Conventional and General Terms and Abbreviations

Term	Description
Adjusted EBITDA	Earnings before interest, tax, depreciation and amortization and is calculated as the restated profit for the period or year from continuing operation plus tax expense, finance cost, depreciation, amortization expenses and exceptional items
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under the SEBI AIF Regulations
Ind AS 24	Indian Accounting Standard 24 issued by the ICAI
Banking Regulation Act	Banking Regulation Act, 1949
Bn/bn	Billion
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder
Companies Act 2013	Companies Act 2013, as amended read with rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The Consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
Consumer Protection Act	Consumer Protection Act, 2019
Copyright Act	Copyright Act, 1957
COVID - 2019/ 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
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996, read with the rules, regulations, clarifications and modifications thereunder
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry ( <i>formerly Department of Industrial Policy and Promotion</i> ), GoI
DP ID	Depository Participant's identity number
EBITDA	Earnings before interest, tax, depreciation and amortization and is calculated as the restated profit for the period or year from continuing operation plus tax expense, finance cost, depreciation and amortization expenses
EPS	Earnings per share
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the provisions of FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/ Fiscal/ Fiscal Year	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
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fugitive Economic Offender(s)	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 the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI/ Central Government	The Government of India
GST	Goods and services tax
HUF(s)	Hindu undivided family
ICAI	Institute of Chartered Accountants of India
ICAI Guidance Note	Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act 2013 and referred to in the Ind AS Rules

<b>Term</b>	<b>Description</b>
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
Insurance Act	Insurance Act, 1938
Insurance Foreign Investment Rules	Indian Insurance Companies (Foreign Investment) Rules, 2016
INR/ Indian Rupees/ Rupee/ ₹/ Rs.	Indian Rupee, the official currency of the Republic of India
IRDAI	Insurance Regulatory and Development Authority Act of India
IRDAI Act	Insurance Regulatory and Development Authority Act, 1999
IRDAI Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2000
IT Act	Information Technology Act, 2002
MAT	Minimum alternate tax
MCA	The Ministry of Corporate Affairs, Government of India
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net asset value
Net Worth	Aggregate of share capital, other equity and non-controlling interest
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRE Accounts	Non-Resident External accounts
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P/E Ratio	Price/Earnings Ratio
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of 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. OCBs are not allowed to invest in the Issue
PAN	Permanent account number
PAT	Profit after tax
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
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 constituted under section 3 of the SEBI Act
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 BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
STT	Securities Transaction Tax
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TPA Regulations	Insurance Regulatory and Development Authority of India (Third Party Administrators - Health Services) Regulations, 2016
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America
VCF	Venture Capital Fund
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

## Industry Related Terms

Term	Description
Cashless Claims	Where the policyholder / beneficiary has a treatment: – Available only in Networked Hospitals – Policyholder / beneficiary is normally required to inform TPA in advance – Required to produce one's ID Card issued to policyholder / beneficiary – Settlement is made by the insurer directly to the hospital
Core Benefits Administration	Benefits administration for Insurer-Backed Corporate Health Benefit Plans, Self-Funded Corporate Health Benefits Plans and retail health insurance
Corporate Clients / Accounts	Employers who partner with us for administration of their Insurer-Backed Corporate Health Benefit Plans, Self-Funded Corporate Health Benefit Plans, and/or health management services
Corporate Wellness Programs	Wellness and outpatient services that are sponsored by Corporate Clients for their employees
Current Healthcare Expenditure	Current expenditure on health care measures only the final consumption of health goods and services without the capital investment in health care infrastructure
Gross Direct Premium	Gross direct premium is the total premium received before taking into account reinsurance accepted and ceded
Gross Written Premium / GWP	Gross written premium is the sum of gross direct premium and the inward reinsurance business accepted
Group Health Benefit Policies	A group health insurance plan that provides healthcare coverage to a select group of people. It is usually offered by corporates to their employees and their dependents. These plans usually cost less than retail insurance plans because of the risk being spread over the entire group rather than one person
HBA / Health Benefits Administration	The administration of health benefits for an insurance company or a corporate
Healthcare Expenditure	Total expenditure on health care measures the final consumption of health goods and services plus capital investment in health care infrastructure
Healthcare Providers	Healthcare service providers such as hospitals, nursing homes, clinics, diagnostic centres, physicians and other medical professionals
Hospital Daily Cash Benefit Plans	A benefits policy that pays a defined sum of money for day-to-day hospitalization. Fixed payments ranging from ₹ 500 to ₹ 3,000 are made for a defined number of days
Incurred Claim Ratio / Loss Ratio	Ratio of net incurred claims to net earned premium. The term is also known as loss ratio
Insurance Broker	A person who, for remuneration, arranges insurance contracts with insurance companies and/or reinsurance companies on behalf of his clients
Insurance Density	Ratio of total insurance premiums to the total population of the country
Insured Members	Individuals, including beneficiaries under Insurer-Backed Corporate Health Benefit Plans and Self-Funded Corporate Health Benefit Plans, retail policyholders, beneficiaries under Public Healthcare Programs as well as retail consumers of our Health Management Services
Insurer Clients	Public and private insurance companies that partner with Medi Assist Insurance TPA Private Limited
Insurer-Backed Corporate Health Benefit Plans	Corporate group medical policies that are availed by Corporate Clients from Insurer Clients for and on behalf of their employees. The premium is paid for by the Corporate Client, and coverage is determined by the policy, and is typically primarily for inpatient services
IT/ITES	Information technology / information technology enabled services
Net Incurred Claims	Claim incurred (net) are gross incurred claims less all claims recovered from reinsurers related to those gross incurred claims
Out-Of-Pocket Expenditures	Direct payments made by individuals to health care providers at the time of service use. This excludes any prepayment for health services
OPD	Outpatient Department
Per Capita Healthcare Expenditure	Average total spending on healthcare, by an individual for the calendar year
Premium Under Management	Amount of insurance premium managed by the relevant TPA
Private Health Insurance	Consists of Retail Policies and Group Health Benefit Policies (also known as corporate policies)
PSU	Public Sector Undertaking
Public Healthcare Programs / Public Health Schemes	Programs implemented by the Central or State Governments, and certain government agencies, including insurer-backed schemes and government-sponsored schemes that help individuals pay for medical care
Reimbursement Claims	The policyholder / beneficiary first pays the expenses out-of-pocket, and gets the expenses reimbursed after discharge. This usually happens in case of non-networked hospitals with TPAs

<b>Term</b>	<b>Description</b>
Retail Policies	Health insurance plans that a person purchases his/her own for covering himself/herself and/or his/her family members. It is less customizable than a group policy and costs more
Self-Funded Corporate Health Benefit Plans	Health benefit plans provided by Corporate Clients for their employees. Terms of the benefit plan are determined by the Corporate Client, and is typically primarily for inpatient services
Self-Sponsored Healthcare Services	Healthcare services that are self-sponsored by an individual, as an out-of-pocket spend
Third Party Administrators Regulations	IRDAI (Third Party Administrators – Health Services Regulations), 2001
TPA	Third party administrator

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

### **Certain Conventions**

All references in this Draft Red Herring Prospectus to “India” are to the Republic of India and all references herein to the “US”, the “U.S.” or the “United States” are to the United States of America.

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

### **Financial Data**

Unless indicated otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Statements.

Unless the context otherwise requires, any percentage, amounts, as set for the in “*Risk Factors*”, “*Summary of the Offer Document*” “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on pages 26, 20, 131 and 268, respectively and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of our Restated Financial Statements unless otherwise stated. Certain other additional financial information pertaining to our Group Company is derived from its audited financial statements.

Certain data included in this Draft Red Herring Prospectus in relation to certain operating metrics, financial and other business related information not otherwise included in the Restated Financial Statements has been reviewed and verified by Saini Pati Shah & Co LLP, Chartered Accountants.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular fiscal or financial year are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Red Herring Prospectus are to a calendar year.

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

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

### **Non-Generally Accepted Accounting Principles Financial Measures**

Certain non-generally accepted accounting principle (“**Non-GAAP**”) measures such as, Adjusted EBITDA, return on net worth and net asset value per equity share (“**Non-GAAP Measures**”) presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an



indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS or IFRS. In addition, these Non-GAAP Measures are not a standardised term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because they are widely used measures to evaluate a company's operating performance.

## **Industry and Market Data**

For the purpose of confirming our understanding of the industry in connection with the Offer, we have commissioned a paid report titled "*Indian Health Benefits Administration and Health Management Services Market Report*" dated May 2021 ("**F&S Report**") prepared by Frost & Sullivan (India) Private Limited ("**F&S**"). F&S has required us to include the following disclaimer in connection with the F&S Report:

*"Indian Health Benefits Administration and Health Management Services Market Report" dated May 2021 has been prepared for the proposed initial public offering of equity shares by Medi Assist Healthcare Services Limited (the "**Company**").*

*This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("**Frost & Sullivan**") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.*

*Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged*

*Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.*

*In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."*

Aside from the above, unless otherwise stated, industry and market data used throughout this Draft Red Herring Prospectus has been obtained from publicly available sources of industry data. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently prepared or verified by us or the Selling Shareholders or Syndicate or any of their affiliates or advisors and none of these parties makes any representation as to the accuracy of this information. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "**Risk Factors – We have commissioned an industry report from Frost &**

*Sullivan (India) Private Limited which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us. Accordingly, prospective investors are advised not to place undue reliance on such information*” on page 38. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “*Basis for Offer Price*” on page 86 includes information relating to our listed peer group companies. Such information has been derived from publicly available sources, and neither we, nor the Selling Shareholders or BRLMs or any of their affiliates have independently verified such information. Accordingly, no investment decision should be made solely on the basis of such information.

### **Currency and Units of Presentation**

All references to “**Rupees**” or “**₹**” or “**Rs.**” are to Indian Rupees, the official currency of the Republic of India. All references to “**US\$**”, “**U.S. Dollar**”, “**USD**” or “**U.S. Dollars**” are to United States Dollar, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions, except where specifically indicated. One million represents 10 lakhs or 1,000,000 and ten million represents 1 crore or 10,000,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

### **Exchange Rates**

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

The following table sets forth as of the dates indicated, information with respect to the exchange rate between the Indian Rupee and the U.S. Dollar:

Currency	Exchange Rate as on December 31, 2020	Exchange Rate as on March 31, 2020	Exchange Rate as on March 31, 2019 <sup>(1)</sup>	Exchange Rate as on, March 31, 2018 <sup>(2)</sup>
1 US\$	73.05	75.39	69.17	65.04

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

<sup>(1)</sup> Exchange rate as on March 29, 2019, as FBIL reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday and Saturday, respectively.

<sup>(2)</sup> Exchange rate as on March 28, 2018, as RBI reference rate is not available for March 31, 2018, March 30, 2018 and March 29, 2018 being a Saturday and public holidays, respectively.

### **NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES**

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) outside the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdictions where those offers and sales are made and (b) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a) of the U.S. Securities Act.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward looking statements, which include statements with respect to our business strategy, our revenue and profitability, our goals and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements include statements with respect to our business strategy, our expected revenue and profitability, our goals and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements can generally be identified by words or phrases such as “*aim*”, “*anticipate*”, “*believe*”, “*continue*”, “*expect*”, “*estimate*”, “*intend*”, “*likely to*”, “*objective*”, “*plan*”, “*propose*”, “*project*”, “*will continue*”, “*seek to*”, “*will achieve*”, “*will likely*”, “*will pursue*” or other words or phrases of similar import. Similarly, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This could be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes in the industry we operate in and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India that may have an impact on our business or investments, monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates and prices, the general performance of Indian and global financial markets, changes in the competitive landscape and incidence of any natural calamities and/or violence. Significant factors that could cause our actual results to differ materially include, but are not limited to:

- Dependence on continued demand for benefits administration services by insurance companies, corporates and the Central and State Governments;
- Our inability to effectively manage and expand our network of healthcare providers;
- Our inability to maintain and upgrade our information technology systems, or breaches of data security;
- Adverse changes in our relationship or arrangements with insurance companies or corporates;
- Our dependence on a limited number of insurer clients;
- Our dependence on corporate accounts in certain industries;
- Our dependence on the growth of our premium under management;
- Uncertainty on the extent to which the coronavirus disease may affect our business and operations; and
- Our inability to comply with various laws and regulations applicable to us.

For a further discussion of factors that could cause our actual results to differ, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 26, 131 and 268, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future results and gains or losses could be materially be different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as the statements based on them could prove to be inaccurate.

Neither our Company, nor the Selling Shareholders, nor the Syndicate, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with regulatory requirements, our Company and the BRLMs will ensure that bidders in India are informed of material developments from the date of the Red Herring Prospectus until the receipt of final listing and trading approvals for the Equity Shares pursuant to the Offer.

## SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoters and Promoter Group*”, “*Financial Statements*” “*Objects of the Offer*”, “*Our Business*”, “*Offer Procedure*” and “*Main Provisions of the Articles of Association*” on pages 26, 94, 298, 183, 193, 84, 131, 325 and 341, respectively.

### Summary of Business

We are a technology-led company that plays a crucial role in the health insurance ecosystem. While under the TPA Regulations, our primary clients are insurance companies, we serve as an intermediary between general and health insurance companies and the insured members (under retail, corporate and insurance backed public health insurance policies); insurance companies and healthcare providers (such as hospitals); and the Government and beneficiaries of public health schemes. We are India’s largest health benefits administrator in terms of revenues and premium serviced for health insurance policies for the financial years 2018, 2019 and 2020. (Source: F&S Report) We managed ₹ 78,295 million of health insurance premiums for the financial year 2020.

### Summary of Industry

TPAs process insurance claims on behalf of insurance companies. They contract with insurance companies and ensure better services to policyholders. The risks, premium rates, and marketing remain with the insurer. The Indian healthcare insurance market is experiencing high growth. The premium serviced under health insurance was ₹ 507.59 billion in 2019-20. TPAs serviced 60% of the total health insurance premium in 2019-20, and their premium serviced has grown at a CAGR of 20% over the last three years. As such, in the short to medium term, the TPA market is expected to grow approximately 21% year-on-year. (Source: F&S Report).

### Promoters

Our Promoters are Dr. Vikram Jit Singh Chhatwal, Medimatter Health and BICH-II.

### Offer Size

Offer of up to 28,028,168 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million, to be offered through an Offer for Sale by the Selling Shareholders, in terms of the Red Herring Prospectus. For details, please see “*Other Regulatory and Statutory Disclosures*” on page 305.

### Objects of the Offer

The objects of the Offer are to (i) to carry out the Offer for Sale of up to 28,028,168 Equity Shares by the Selling Shareholders; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. Our Company will not receive any proceeds from the Offer and all such proceeds will go to the Selling Shareholders.

### Pre-Offer shareholding of the Promoters, Promoter Group and Selling Shareholders

The aggregate equity shareholding of our Promoters, the Promoter Group and Selling Shareholders as on the date of this Draft Red Herring Prospectus and the percentage of pre-Offer Equity Share capital is set forth below:

S. No.	Category of Shareholder	Pre- Offer	
		Number of Equity Shares held	Percentage of Equity Share capital (%)
<i>Promoters</i>			
1.	Dr. Vikram Jit Singh Chhatwal	2,539,092	3.69
2.	Medimatter Health	19,240,428*	27.94
3.	BICH-II	24,731,608	35.92
	<b>(A) Sub-Total</b>	<b>46,511,128</b>	<b>67.55</b>

S. No.	Category of Shareholder	Pre- Offer	
		Number of Equity Shares held	Percentage of Equity Share capital (%)
<b>Promoter Group (other than Promoters)</b>			
	Bessemmer Health (as provided below)	6,606,084	9.59
<b>Selling Shareholders (other than Promoter Selling Shareholders)</b>			
1.	Bessemmer Health	6,606,084	9.59
2.	Investcorp Private Equity Fund I	14,910,452	21.65
3.	Rajan Mehra	42,596	0.06
4.	Amit Kumar Patni	33,336	0.05
5.	Arihant Patni	33,336	0.05
6.	Vinay Sanghi (jointly with Seena Sanghi)	20,372	0.03
7.	Project Automobiles (Bombay) Private Limited	20,372	0.03
8.	P. Shankar Rao (jointly with P. Neena Rao)	42,596	0.06
9.	Pramod Ahuja (jointly with Jyoti Ahuja)	42,596	0.06
10.	Ranjan Sanghi (jointly with Jayashree Sanghi)	12,964	0.02
11.	Vivek Pandit	64,820	0.09
12.	Jaivardhan Sinha (jointly with Sonia Deb)	64,820	0.09
	<b>(B) Sub-Total</b>	<b>21,894,344</b>	<b>31.80</b>
	<b>Grand Total (A+B)</b>	<b>68,405,472</b>	<b>99.34</b>

\* Including 537,080 Equity Shares jointly held with Dr. Vikram Jit Singh Chhatwal

### Summary of restated financial information

(₹ in million other than share data)

Particulars	Nine months ended December 31, 2020	Nine months ended December 31, 2019	Fiscal 2020	Fiscal 2019	Fiscal 2018
Share capital	0.36	0.36	0.36	0.36	0.35
Net worth	2,474.40	2,116.16	2,145.94	2,199.98	2,075.03
Total income	2,574.44	2,451.56	3,304.07	2,811.69	2,415.79
Profit after tax from continuing operations	380.88	352.00	391.71	329.74	438.77
Profit after tax for the period/year	330.94	310.40	345.66	261.89	404.40
Earnings per share (basic) (in ₹) for continuing operations	5.70 <sup>(1)</sup>	5.27 <sup>(1)</sup>	5.86	4.93	6.57
Earnings per share (diluted) (in ₹) for continuing operations	5.64 <sup>(1)</sup>	5.22 <sup>(1)</sup>	5.81	4.90	6.51
Earnings per share (basic) (in ₹) for continuing and discontinued operations	4.95 <sup>(1)</sup>	4.65 <sup>(1)</sup>	5.17	3.92	6.05
Earnings per share (diluted) (in ₹) for continuing and discontinued operations	4.90 <sup>(1)</sup>	4.61 <sup>(1)</sup>	5.13	3.89	6.00
Net asset value per equity share (in ₹)	37.03	31.67	32.11	32.92	31.05
Total borrowings <sup>(2)</sup>	719.42	549.73	719.27	524.60	524.44

<sup>(1)</sup> Not annualised

<sup>(2)</sup> Total borrowings includes current borrowings, non-current borrowings and current maturities of long term debt

### Qualifications of the Auditors which have not been given effect to in the Restated Financial Statements

Our Statutory Auditors have not made any qualifications in the examination report that have not been given effect to in the Restated Financial Statements.

### Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, our Promoters, our Directors, our Subsidiary and our Group Companies as on the date of this Draft Red Herring Prospectus is provided below:

Name of Entity <sup>(1)</sup>	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in million) <sup>(2)</sup>
<b>Company</b>					
By the Company	Nil	Nil	Nil	1	103.62
Against the Company	Nil	1	1	Nil	3.74
<b>Directors</b>					
By the Directors	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	1	Nil	Nil	0.07
<b>Promoters</b>					
By the Promoters	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	1	Nil	1	0.38
<b>Subsidiary</b>					
By the Subsidiary	8	Nil	Nil	Nil	30.80
Against the Subsidiary	1	4	1	Nil	521.36
<b>Total</b>	<b>9</b>	<b>7</b>	<b>2</b>	<b>2</b>	<b>659.97</b>

<sup>(1)</sup> There is no pending litigation involving our Group Companies which will have a material impact on our Company.

<sup>(2)</sup> To the extent quantifiable

For further details, see “**Outstanding Litigation and Material Developments**” on page 298.

### Risk factors

Specific attention of Investors is invited to the section “**Risk Factors**” on page 26. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

### Summary of contingent liabilities of our Company

The following is a summary table of our contingent liabilities as of December 31, 2020:

Sr. No.	Particulars	(₹ in million) As of December 31, 2020
1.	Bonus as per the Payment of Bonus (Amendment) Act, 2015 for the period from April 1, 2014 to March 31, 2015 <sup>(1)</sup>	6.15
2.	Demands raised by the income-tax authorities for the assessment year 2017-18 on account of disallowance of amortisation on goodwill and prior period expenditure and disallowance under section 14A of the Income Tax Act. Net of amount paid to Income tax authority under protest of ₹ 8.02 million <sup>(2)</sup>	20.75
3.	Disallowed under section 40(a)(ia) of the Income Tax Act, for payments made to various hospitals during the financial years 2007-08 and 2008-09	464.96
4.	Disallowance of employee stock option expenses and disallowance under section 14A Income Tax Act for assessment year 2017-18	3.74
5.	Employee Provident Fund <sup>(3)</sup>	-
<b>Total</b>		<b>495.60</b>

<sup>(1)</sup> The Payment of Bonus (Amendment) Act, 2015 was notified by the Government of India with retrospective effect from April 1, 2014. The High Court of Karnataka based on the writ petition number 5272/2016 and 5311/2016, has vide its order dated February 2, 2016, stayed the operation of the said notification for the financial year 2014-15. The obligation to pay the bonus for the financial year 2014-15 will arise only if the High Court disposes off the writ petition in favour of the Government. Hence, the Company and the Subsidiary have taken a view that an amount of ₹ 6.15 million which is the approximate statutory bonus liability, for the eligible employees in respect of financial year 2014-15, has been considered as a contingent liability.

<sup>(2)</sup> As per income tax assessment order, the Assessing Officer has disallowed under section 40(a)(ia) on payments made to various hospitals during the financial year 2007-08 and 2008-09 totalling to ₹ 118.92 million and ₹ 964.75 million respectively and accordingly raised a demand of ₹ 29.71 million and ₹ 435.25 million under section 143(3) of the Income Tax Act respectively. The Company filed an appeal against these above orders as the payments to hospitals were made from the funds received from insurance companies were an advance and all payments were adjusted against the advance received. The payments were not claimed as an expenditure, hence, these cannot be disallowed under said section. The Subsidiary received favorable orders from Commissioner of Income Tax (Appeals) on August 8, 2012, Income Tax Appellate Tribunal on December 10, 2014, and the High Court on November 30, 2015. However, the income tax department has filed an appeal with the Supreme Court of India. Further, our Subsidiary had acquired Dedicated Healthcare Services TPA (India) Private Limited (DHS) on September 30, 2016 and pursuant to the merger order dated April 6, 2018, DHS merged with the subsidiary from the appointed date specified in the scheme i.e. October 1, 2016.

<sup>(3)</sup> In light of the judgment of the Supreme Court of India dated February 28, 2019 on the definition of “Basic Wages” under the Employees Provident Funds & Miscellaneous Provisions Act, 1952 and based on Company and Subsidiary’s evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence, it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with

sufficient reliability for past periods. The Company and Subsidiary will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Company and Subsidiary do not expect any material impact of the same.

For further details, see “*Financial Statements*” on page 193.

### Summary of Related Party Transactions

(₹ in million)

Particulars	Related parties with whom transactions have taken place	Nine months ended December 31, 2020	Nine months ended December 31, 2019	Fiscals		
				2020	2019	2018
Consultancy fees to	Medimatter Health	0.90	-	1.40	1.00	1.20
Support service income from	Phasorz	45.64	51.36	90.13	-	-
Support service fee paid to	Mandala	17.72	15.17	26.26	-	-
Interest on debentures	Medimatter Health	0.14	0.13	0.17	0.16	0.13
Reimbursement of expenses to	Mandala	84.87	40.39	100.62	-	-
Gains on transfer of property, plant and equipment	Mandala	-	4.92	4.92	-	-
Advance towards service paid to	Buddhimed	2.00	-	-	-	-
Interest income	Phasorz	-	-	10.23	-	-
	Mandala	31.24	2.42	-	-	-
Payable pursuant to demerger (including net asset transferred)	Mandala	-	370.18	370.18	-	-
Compensation of Key Management Personnel						
(i) Short term employee benefits		19.85	13.95	18.60	14.43	18.32
(ii) Share based payments		-	-	-	0.79	3.04
(iii) Director sitting fees		0.35	0.35	0.45	0.10	-
(iv) Sub-contracting charge		3.68	4.47	-	-	-

For further details of the related party transactions and as reported in the Restated Financial Statements, see “*Financial Statements*” on page 193.

### Financing arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, the directors of our corporate Promoters, our Directors and their relatives have financed the purchase by any other person of securities of our Company during six months immediately preceding the date of this Draft Red Herring Prospectus.

### Weighted average price at which the Equity Shares were acquired by our Promoters and Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

Except as stated below our Promoters or Selling Shareholders have not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus. The weighted average price at which our Promoters and Selling Shareholders have acquired the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus is as follows:

Promoter/Selling Shareholder	No. of Equity Shares acquired	Weighted average price of acquisition per Equity Share in the last one year (in ₹) <sup>(1)</sup>
<i>Promoters</i>		
Dr. Vikram Jit Singh Chhatwal	2,536,350	Nil <sup>(2)</sup>
Medimatter Health	19,221,848 <sup>(3)</sup>	27.21 <sup>(4)</sup>

Promoter/Selling Shareholder	No. of Equity Shares acquired	Weighted average price of acquisition per Equity Share in the last one year (in ₹) <sup>(1)</sup>
BICH-II	24,704,900	Nil <sup>(2)</sup>
<b>Selling Shareholders (other than Promoters)</b>		
Bessemer Health	6,598,950	Nil <sup>(2)</sup>
Investcorp Private Equity Fund I	14,894,350	Nil <sup>(2)</sup>
Rajan Mehra	42,550	Nil <sup>(2)</sup>
Amit Kumar Patni	33,300	Nil <sup>(2)</sup>
Arihant Patni	33,300	Nil <sup>(2)</sup>
Vinay Sanghi (jointly with Seena Sanghi)	20,350	Nil <sup>(2)</sup>
Project Automobiles (Bombay) Private Limited	20,350	Nil <sup>(2)</sup>
P. Shankar Rao (jointly with P. Neena Rao)	42,550	Nil <sup>(2)</sup>
Pramod Ahuja (jointly with Jyoti Ahuja)	42,550	Nil <sup>(2)</sup>
Ranjan Sanghi (jointly with Jayashree Sanghi)	12,950	Nil <sup>(2)</sup>
Vivek Pandit	64,750	Nil <sup>(2)</sup>
Jaivardhan Sinha (jointly with Sonia Deb)	64,750	Nil <sup>(2)</sup>

<sup>(1)</sup> As certified by Saini Pati Shah & Co LLP, Chartered Accountants by way of their certificate dated May 9, 2021

<sup>(2)</sup> The weighted average price of Equity Shares acquired in the last one year is Nil since the same has been acquired by way of allotment of bonus shares

<sup>(3)</sup> Including 536,500 Equity Shares acquired in the last one year which are jointly held with Dr. Vikram Jit Singh Chhatwal.

<sup>(4)</sup> The weighted average price of Equity Shares acquired in the last one year for Medimatter Health is calculated on the basis of (i) conversion of 9,175 Series B Compulsorily Convertible Preference Shares into 1,099 Equity Shares and (ii) allotment of 19,219,650 Equity shares pursuant to the bonus issue

#### Average cost of acquisition of Equity Shares by our Promoters and Selling Shareholders

The average cost of acquisition per Equity Share by our Promoters and Selling Shareholders as on the date of this Draft Red Herring Prospectus is:

Name	No. of Equity Shares held	Average cost of acquisition per Equity Share (in ₹) <sup>(1)</sup>
<b>Promoters</b>		
Dr. Vikram Jit Singh Chhatwal	2,539,092	0.20
Medimatter Health	19,240,428 <sup>(2)</sup>	27.23
BICH-II	24,731,608	0.31
<b>Selling Shareholders (other than Promoters)</b>		
Bessemer Health	6,606,084	31.07
Investcorp Private Equity Fund I	14,910,452	58.12
Rajan Mehra	42,596	15.64
Amit Kumar Patni	33,336	15.99
Arihant Patni	33,336	15.99
Vinay Sanghi (jointly with Seena Sanghi)	20,372	16.35
Project Automobiles (Bombay) Private Limited	20,372	16.35
P. Shankar Rao (jointly with P. Neena Rao)	42,596	15.64
Pramod Ahuja (jointly with Jyoti Ahuja)	42,596	15.64
Ranjan Sanghi (jointly with Jayashree Sanghi)	12,964	15.42
Vivek Pandit	64,820	15.42
Jaivardhan Sinha (jointly with Sonia Deb)	64,820	15.42

<sup>(1)</sup> As certified by Saini Pati Shah & Co LLP, Chartered Accountants by way of their certificate dated May 9, 2021

<sup>(2)</sup> Including 537,080 Equity Shares jointly held with Dr. Vikram Jit Singh Chhatwal.

#### Details of pre-IPO placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

#### Issue of Equity Shares for consideration other than cash or bonus issues in the last one year

Except for the issuance of bonus shares on April 9, 2021, our Company has not issued any Equity Shares for consideration other than cash or bonus issues in the one year preceding the date of this Draft Red Herring Prospectus.



**Split/ Consolidation of Equity Shares in the last one year**

Other than the sub-division of face value of the equity shares of our Company from ₹ 10 to ₹ 5 pursuant to the approval of our Shareholders by way of its resolution dated April 7, 2021 pursuant to which 45,350,000 Equity Shares of ₹ 10 each were sub-divided and reclassified as 90,700,000 Equity Shares of ₹ 5 each and 37,181 paid-up Equity Shares of face value of ₹ 10 each were split into 74,362 Equity Shares of face value of ₹ 5 each, our Company has not undertaken any split or consolidation of Equity Shares in one year preceding the date of this Draft Red Herring Prospectus.

## SECTION II - RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares and the industry in which we operate or to India. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 131, 94 and 268, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.*

*Our financial year ends on March 31 of each year, so all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

*To the extent the COVID-19 pandemic adversely affects our business and results of operations, it may also have the effect of heightening many of the other risks described in this section. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

*This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See “Forward-Looking Statements” on page 19.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from our Restated Financial Statements. In this section, unless the context means otherwise, the term revenue refers to our Total Income for the relevant year.*

### **Risks Relating to Our Business**

**1. *Our business is dependent on the continued demand for benefits administration services by insurance companies, corporates and the Central and State Governments.***

Our business is dependent on the continued demand for benefits administration services by insurance companies, corporates and Central and State Governments. However, the demand for such services may be affected by a number of factors such as a slowdown in the growth of the health insurance industry, consolidation of insurance companies or changes in the degree to which insurance companies outsource benefits administration services. Insurance companies may elect to provide benefits administration services through in-house teams. There may also be a decline in the coverage of insurance policies or premiums payable under the policies, including on account of corporates reducing benefits available to their employees or the number of dependents covered under insurance policies. Further, our business could be affected by a deterioration in the financial condition or business prospects of the insurance companies, corporates or government agencies with whom we work. In addition, they may not compensate us in a timely manner or at all, or choose to manage these services through their in-house teams. Consequently, any decline in the demand for our benefits administration services that we provide or pricing pressures imposed upon us may have an adverse effect on our business, results of operations and financial condition.

**2. *Our inability to effectively manage and expand our network of healthcare providers may have an adverse effect on our business, results of operations and financial condition.***

We have developed a pan-India healthcare provider network, which comprises over 11,000 hospitals across 722 cities and towns in India, as of March 31, 2020. We have entered into preferential rate arrangements with hospitals through discounted packages, preferential rate contracts and cashless admission facility, which helps us control medical cost inflation, obtain new insurance companies, provide benefits to corporate accounts and

other customers serviced by us. Consequently, our business and results of operations depend on our ability to effectively manage our hospital network, negotiate acceptable terms and maintain favorable relationships with them. However, we cannot assure you that we will be able to manage or expand our hospital network in the future. Our inability to ensure significant volume of business for such providers may adversely impact our ability to maintain preferential pricing arrangements. If hospitals terminate their arrangements with us, we may be unable to replace them with alternate providers in the respective regions, which may reduce the attractiveness of our services to the constituents we serve. In the past, there have been instances where hospitals have exited our network to streamline their operations with other benefits administration entities that they are affiliated with. The occurrence of such events may have an adverse effect on our business, results of operations and financial condition.

**3. *Significant disruptions in our information technology systems, our inability to maintain and upgrade our information technology systems, or breaches of data security could adversely affect our reputation, business and results of operations.***

Our business is dependent upon increasingly complex and interdependent information technology systems and maintaining data integrity. We offer several portals, applications, third party platform connectivity and interfaces and our operations are highly dependent on our ability to provide key services such as claims processing, tracking of claims and addressing self-help requests. The size and complexity of our technology offerings may make them potentially vulnerable to breakdowns. Many of our services are provided through the internet, which increases our exposure to potential cybersecurity attacks including viruses, ransomware and spam attacks. The occurrence of events such as internet downtime, cyber-attacks or other failures in one or more of our technology platforms could result in an inability to provide services to our constituents. Our operations may also be affected by events such as a disruption of electrical or communication services. We operate call centres and provide SMS related services to insured members. In the event we are unable to provide such services, insurance companies have the right to terminate their arrangements with us. We may also be unable to process claims in a timely manner, process pre-authorization requests or schedule appointments, which may adversely affect customer satisfaction levels and consequently our business and reputation. In addition, as our information technology and other systems interface with and depend on third-party systems, we may experience service denials if demand for such service exceeds capacity or a third-party system fails or experiences an interruption. Although we have not experienced any significant breakdowns in our information technology infrastructure in the past, we encounter load balance issues on a regular basis that are managed and addressed through deployment of multiple server redundancies.

Our ability to conduct our operations and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. Although we have made substantial investments in our information technology infrastructure, we may be required to incur significant expenses in the future to maintain and enhance them. Further, we could face changes due to disruptive technologies that could impact the volume and pricing of our services, or introduce changes to the insurance claims management processes which could adversely affect the manner in which we provide benefits administration services.

We may also face cyber threats such as (i) phishing and trojans - targeting constituents, wherein fraudsters send unsolicited mails to the constituents seeking account sensitive information or to infect their systems to search and attempt ex-filtration of account sensitive information; (ii) hacking – wherein attackers seek to hack into our website and portal with the primary intention of causing reputational damage to us by disrupting services; (iii) data theft – wherein cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; and (iv) advanced persistent threat – a network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time with an intention to steal our data or information rather than to cause damage to our network or organization.

Our systems are also potentially vulnerable to data security breaches, whether by our employees, or others that may expose sensitive data to unauthorized persons. We process and transfer data, including personal information, financial information and other confidential data provided to us by constituents. Although we maintain systems and procedures to prevent unauthorized access and other security breaches, it is possible that unauthorized individuals could improperly access our systems, or improperly obtain or disclose sensitive data that we process or handle. Data security breaches could lead to the loss of intellectual property or could lead to the public exposure of personal information (including sensitive financial and personal information) of constituents. Any such security breaches or compromises of technology systems could result in damage to

our reputation, institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business and results of operations.

**4. Any termination or adverse change in our relationship or arrangements with insurance companies or corporates could adversely affect our business, results of operations and financial condition.**

We enter into contractual arrangements with insurance companies and corporates to provide our services. Our contractual arrangements with insurance companies are usually for a term of one to five years, which may be renewed at the sole discretion of insurance companies. The renewal of such arrangements depend on various factors such as the renegotiation of key terms with respect to our fees and scope of services, quality of our service, customer satisfaction and the reach of our hospital network. Our contractual arrangements also require us to comply with stringent regulatory requirements, and the code of conduct prescribed by insurance companies, failing which an insurance company has the right to terminate their arrangement with us. In certain cases, insurance companies have the right to unilaterally terminate their contractual arrangements with us without cause by providing a prior notice as specified in the agreement. In addition, we are required to us to provide a bank guarantee to insurance companies who have the right to invoke such guarantees, at their sole discretion, if we are unable to perform our contractual obligations. Similarly, our contractual arrangements with corporates are usually for a period of one year. The corporates may elect to change the benefits administrator. We cannot assure you that we will be able to continue to develop and maintain our existing relationships with insurance companies and corporates, or renew our existing contractual arrangements with them on favorable terms, or at all. The termination of our arrangements with insurance companies or corporates could have an adverse effect on our business, results of operations and financial condition.

**5. We derive a significant portion of our revenues from a few clients and the loss of one or more such clients could adversely affect our business and prospects.**

We are dependent on a limited number of insurance companies for a significant portion of our revenues. For the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, our five largest insurance companies based on premium under management contributed ₹ 1,749.6 million, ₹ 2,002.8 million, ₹ 2,069.3 million and ₹ 1,670.0 million, or 75%, 72%, 65% and 69%, of our revenue from operations, respectively. The loss of one or more of our large clients or a decline in the amount of business or fees we obtain from them or an adverse change in the determination of the fees that we receive from them could have an adverse effect on our business and results of operations. Our reliance on a select group of clients may also constrain our ability to negotiate our fee arrangements, which may have an adverse effect on our profit margins and financial performance. Our dependence on these clients also exposes us to risks associated with their internal management, financial condition and creditworthiness, and major events affecting these clients such as bankruptcy, change of management, mergers and acquisitions, could adversely affect our business and results of operations. We cannot assure you that we will be able to maintain historic levels of business from our largest clients, or that we will be able to significantly reduce client concentration in the future. The loss of business from any of these clients due to any reason could adversely affect our business, financial condition and prospects.

**6. Our business is significantly dependent on corporate accounts in certain industries, and any adverse developments affecting such industries may adversely affect our business and results of operations.**

We are dependent on corporate accounts in certain industries for a significant portion of our revenues from operations. For the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, of the total premiums serviced attributable to our 50 largest corporate accounts, corporate accounts in the IT/ITES sector contributed 61%, 66%, 62% and 59% respectively, and corporate accounts in the BFSI sector contributed 19%, 14%, 18% and 22% respectively. Consequently, any adverse developments in such industries may affect the demand for our services and our business and results of operations.

**7. Our future revenues and profitability are dependent on the growth of our premium under management, which may decline.**

Our income from benefit administration services provided to our corporate account portfolio and retail portfolio is largely generated as a percentage of our premium under management. Consequently, any decline in the percentage of premium under management charged as fees may adversely affect our future revenues and profitability. In addition, any decline in our premium under management could result in a decline in our revenue from operations. Insurance premiums tend to vary on account of a number of factors beyond our

control such as, changes in the number of employees of the corporates we service, change in the number of beneficiaries and benefits policy, change in the ratio of incurred claims and change in the pricing strategy of insurance companies. Further, as we primarily depend on the fees and commission received from the insurance companies and our fee structure is not directly linked to our expenses, we may incur costs that we may be unable to pass on to insurance companies. The commission and fee rates are set by insurance companies and are based on the premiums that the insurance companies charge to their customers. Premiums can change based on the prevailing economic, regulatory, taxation and competitive factors that affect insurance companies, and any change in the premiums may have an adverse effect on the commissions and fees payable to us. These factors, which are not within our control, include the capacity of insurance companies to place new business, profits of insurance companies, consumer demand for insurance products and the availability of alternative insurance. Consequently, any decline in our premium under management may adversely affect our future revenues and profitability.

**8. *The extent to which the coronavirus disease may affect our business and operations in the future is uncertain and cannot be predicted.***

During the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for calendar year 2021 downward in response to the economic slowdown caused by the spread of COVID-19.

The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, including in India where our operations are based, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing “stay-at-home” orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a “notified disaster” for the purposes of the Disaster Management Act, 2005 and imposed a nationwide lockdown beginning on March 25, 2020. The lockdown lasted until May 31, 2020, and has been extended periodically by varying degrees by state governments and local administrations. The lifting of the lockdown across various regions has been regulated with limited and progressive relaxations being granted for movement of goods and people in other places and calibrated re-opening of businesses and offices. However, the recent surge in COVID-19 infections has led to one or more states in India having imposed and other states considering the imposition of additional regional or local lockdowns.

There is significant uncertainty regarding the duration and long-term impact of the COVID-19 pandemic, as well as possible future responses by the Government, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on our business and operations in the future. We may be subject to one or more lockdowns or curfews in the future on account of COVID-19 as well. The COVID-19 pandemic has affected and may continue to affect our business, results of operations and financial condition in a number of ways such as:

- on account of the COVID-19 pandemic, certain hospitals have not honoured their contractual commitments for cashless settlements of claims and/or abided by the agreed rates in calendar years 2020 and 2021. We cannot assure you that hospitals will continue to honour their contractual commitments going forward. This may impact our ability to service our clients effectively;
- it may require us to shut our offices or operate them with few personnel; we shut our offices at the commencement of the lockdown and were able to resume operations in a gradual manner from December 2020 onwards for the balance of the financial year 2021; the resurgence in the number of COVID-19 cases could potentially result in the closure of our offices again;
- increased risks emanating from process changes being implemented, such as increased reliance on technology and increased work-from-home measures;
- increased risks emanating from errors or omissions on account of a decline in operating personnel;
- a decrease in the growth of our corporate account portfolio on account of a decline in the number of personnel employed by the corporate accounts, a reduction in hiring and a reduction in the budget for employee benefits by the corporate accounts;

- a decrease in the income attributable to servicing government sponsored insurance schemes;
- inherent productivity, technology and oversight challenges due to an increase in number of individuals working from home;
- increased vulnerability to cyber-security threats and potential breaches, including phishing attacks, malware and impersonation tactics;
- an increase in operational costs as a result of installing work-from-home technology systems;
- uncertainty as to what conditions must be satisfied before government authorities fully remove the “stay-at-home” orders and when such orders would be fully removed; and
- the potential negative impact on the health of our personnel, particularly if a significant number of them are afflicted by COVID-19, which could result in a deterioration in our ability to ensure business continuity during this disruption

Any, or all, of the factors may result in an adverse impact on the turn-around time required for rendering various services by us. As per the provisions of the TPA Regulations, we are required to maintain a minimum specified turn-around time and any adverse impact on the turn-around time may result in regulatory actions and reputational risks.

While COVID-19 has affected our business and operations, there is significant uncertainty regarding the duration and impact of the COVID-19 pandemic, as well as possible future responses, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on us and the constituents in the health insurance ecosystem that we work with at this time.

The intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition. Further, as COVID-19 adversely affects our business and results of operations, it may also have the effect of exacerbating many of the other risks described in this “*Risk Factors*” section. Also see “*Management’s Discussions and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations – Current COVID- 19 Pandemic*” on page 271.

**9. *Our business is subject to various laws and regulations and our inability to comply with them may adversely affect our business, results of operations and reputation.***

Our TPA services are regulated by the IRDAI and we are subject to certain laws, regulations and licensing requirements. Companies that offer TPA services are required to be registered under the provisions of the TPA Regulations. In terms of the TPA Regulations, companies that are engaged in the business of providing TPA services are not allowed to engage in any other business other than that of providing services as permitted under the TPA Regulations. In addition, TPAs are required to, among others, comply with certain norms, which include: (i) appoint at least one director on its board of directors with a minimum qualification of MBBS, and a valid registration from the Medical Council of India or the Medical Council of any state of India, who should act within the scope and jurisdiction of the registration; (ii) ensure that its chief administrative officer or chief executive officer has (a) a bachelor’s degree from a recognized university having passed the associateship examination conducted by the Insurance Institute of India or such equivalent examination as may be recognized and specified by the IRDAI, and (b) completed training with an institution recognized by the IRDAI; (iii) maintain the prescribed minimum paid up equity share capital; (iv) ensure sufficient reach with network hospitals and information technology capability and the necessary in-house medical expertise; (v) ensure that the promoters are carrying on business not related to insurance or engaged in offering professional services related to insurance for a period of not less than three years to the date of application; and (vi) comply with the code of conduct prescribed under the TPA Regulations. The TPA Regulations also specify reporting and intimation requirements, requirement to maintain proper records, documents and evidence and financial records of all transactions carried out by a TPA on behalf of an insurer in terms of the agreement between the insurer and such TPA. Certain key clauses in agreements between insurers, TPAs and network providers are governed by the TPA Regulations, including those relating to minimum turn-around time and remuneration payable to the TPA by the insurer. TPAs are prohibited from charging any fees in any form or in any manner from the policy holders or network providers for the health

services rendered under the TPA Regulations and in terms of the relevant agreement. The TPA Regulations require TPAs to seek prior approval of the IRDAI for any change in its shareholding exceeding 5% of its paid-up equity share capital, whether by way of transfer of existing shares or by way of fresh issue of shares to either new or existing shareholders. Further, IRDAI (Health Insurance) Regulations, 2016 (the “**Health Insurance Regulations**”) govern the conduct of health insurance business by Indian insurers. Under the Health Insurance Regulations, insurers and TPAs are required to establish systems and procedures to identify, monitor and mitigate frauds and follow any applicable guidelines issued by the IRDAI.

As per the TPA Regulations, a TPA is primarily engaged by an insurer and is not permitted to directly make payment in respect of claims, reject or repudiate any of the claims directly, handle or service claims other than hospitalization cover under a personal accident policy, procure or solicit insurance business directly or indirectly or offer any service directly to the policyholder or insured or to any other person unless such service is in accordance with the terms and conditions of the policy contract and the agreement entered into in terms of the TPA Regulations.

TPAs are also subject to certain restrictions, as specified under the Indian Insurance Companies (Foreign Investment) Amendment Rules, 2019 (“**Foreign Investment Amendment Rules**”). The Foreign Investment Amendment Rules read with IRDAI Amendment Regulations, prescribe that an insurance intermediary with majority investment from foreign investors (“**Foreign Owned Insurance Intermediary**”) is, among other things, (i) required to seek prior permission of the IRDAI to repatriate dividend to the foreign investor(s); and (ii) not permitted to make payments (other than dividend) to related parties, beyond 10% of its total expenses in a financial year. In addition, the foreign investor of the Foreign Owned Insurance Intermediaries required to bring the latest technological, managerial and other skills. However, no guidance has been provided by the IRDAI on how this will be measured.

Further, the ‘Guidelines on Repatriation of Dividends by Insurance Intermediaries Having Majority by Foreign Investors’ dated January 3, 2020 (“**Guidelines on Repatriation of Funds**”), require Foreign Owned Insurance Intermediary to comply with specified conditions. For example, (i) the dividend is required to be paid out of the insurance intermediaries’ current year’s profit, (ii) the IRDAI should not have placed any restriction on the insurance intermediary for declaration of dividends and (iii) the dividend pay-out ratio calculated as a percentage of dividend payable in year (excluding dividend payable in a year) to profit after tax during the year should not exceed 75%.

We are also required to obtain and maintain a number of statutory and regulatory approvals and licenses, and are required to comply with these additional statutory and regulatory requirements that govern various aspects of our business operations, including processing of digital payments and collection, and the storage, disclosure and transfer of sensitive personal information as specified under applicable rules, regulations and guidelines issued under the Information Technology Act, 2002, and the rules and regulations thereunder. For further information on the broad regulatory regime relating to our business operations, see “**Key Regulations and Policies in India**” on page 148 and for details of approvals relating to our business and operations, see “**Government and Other Approvals**” on page 303. Regulatory authorities may exercise broad discretion in assessing our compliance with applicable statutory and regulatory requirements, or introduce new requirements, and we may incur significant expenses or be subjected to operational restrictions to ensure compliance with such requirements, which could adversely affect our business, results of operations and financial performance.

A majority of our approvals are granted for a limited duration and require renewal. We cannot assure you that the approvals will be granted or renewed in a timely manner, or at all, by the relevant governmental or regulatory authorities. The approvals required by us are also subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations.

**10. Non-compliance with IRDAI inspection or any adverse observations by the IRDAI may adversely affect our business, results of operation or financial condition.**

We are subject to periodic inspections by the IRDAI. During the course of inspection, the IRDAI advises on issues related to various procedural lapses, and during such inspections the IRDAI has, in the past, made certain observations regarding our business and operations, including with respect to the format of our claim settlement letters, nature of agreements with healthcare service providers and insurance companies and displaying the registered name & registration number with validity of registration on the website. Based on the response sent by us on the IRDAI observations, IRDAI has issued a letter of advisory dated June 5, 2020 (“**Letter**”) and a show cause notice dated June 4, 2020 (“**Notice**”) seeking clarifications on certain alleged violations observed by IRDAI during its inspection. While, we have responded to the observations made (i) during the inspection, (ii) in the Letter and (iii) in the Notice and provided clarifications to IRDAI, we await IRDAI’s response to our letter. For further details, see “*Outstanding Litigation and Material Developments - Actions by statutory or regulatory authorities against our Subsidiary*” on page 300. We may incur additional expenses in order to comply with observations or directions passed by IRDAI pursuant to the Notice, which may have an adverse effect on our business, results of operations and financial condition.

**11. *We service government sponsored insurance schemes and are exposed to risks associated with program funding, enrollments and delayed payments that could adversely affect our business, results of operations and financial condition.***

We service government sponsored insurance schemes such as SSWS-WB, PMJAY and MJPJAY. During the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, our revenue from operations attributable to servicing government sponsored insurance schemes was ₹ 450.9 million, ₹ 489.9 million, ₹ 576.2 million and ₹ 386.6 million, or 19%, 18%, 18% and 16% of our revenue from operations, respectively. Any delay associated with, or reduction in collection of receivables from government agencies, or change in allocation methodologies, or termination of contractual arrangements, may adversely affect our business, results of operations and financial condition.

Any adverse changes in government policies or discontinuation of funding of certain public healthcare programs due to factors beyond our control, including general economic conditions and budgetary constraints at the Central or State Government level, which may adversely affect our business and results of operations. For example, the public healthcare programs that we participate in are generally subject to changes in the number of beneficiaries enrolled or eligible for coverage, decline in reimbursement amounts or payment levels, or limitations on areas or markets that can be serviced by benefits administrators. While we usually generate revenues on a fixed fee per family per year basis or on a fixed fee per claim basis for services under such programs, funding for these programs depends on periodic funding from the Central or State Governments and allocation of the funding through various payment mechanisms.

Further, a benefits administrator in India is primarily selected through a tender process, and specialized knowledge and experience is required to submit successful bids. Our bidding is based upon certain assumptions regarding enrollment, utilization, medical costs and other factors. We cannot assure you that our bids would be accepted or that we would be appointed as the benefits administrator. Further, there may be delays in the bid selection process and our bids once selected, may not be finalized within anticipated timeframes. If we are not successful in bidding for these programs or if our assumption while submitting the bid were incorrect, our business, results of operations and financial condition may be adversely affected.

**12. *We handle personal data, including sensitive medical data in the ordinary course of our business and any failure to maintain the confidentiality of such data could result in legal liabilities for us and adversely affect our reputation.***

We receive, generate and store significant volumes of personal data, including sensitive medical data, in the ordinary course of our business. We are, therefore, subject to privacy laws and regulations and related security protocols with respect to the use, transfer and disclosure of sensitive data, intended to protect the confidentiality, integrity and availability of such information, and the privacy of individuals. We are required to ensure compliance with the provisions of the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**Reasonable Security Practices Rules**”). In accordance with the provisions of the Reasonable Security Practices Rules, medical records and medical history are classified as sensitive personal data or information, and body corporates which collect, receive, possess, store, deal with, or handle such information are required to undertake various compliance measures, including the requirement to adopt a policy for privacy and disclosure of information. In addition, we are required to take all measures, including implementation of any necessary operational processes, to ensure that medical records are accurate, complete and updated regularly and to implement adequate



safeguards (whether administrative, technical or physical security control measures) to protect the medical records. These laws, rules and regulations are subject to change. Compliance with new privacy and security laws, regulations and requirements may result in increased operating costs and may constrain or require us to alter our business model or operations.

For instance, in December 2019, the Government of India published the Personal Data Protection Bill, 2019 (the “**Bill**”), which proposes to supersede the Information Technology Act and deals with provisions relating to compensation payable by companies for failure to protect personal data. The Bill provides a framework for protecting personal data and seeks to, among others, lay down norms for cross-border transfer of personal data, determine the scope of personal data and ensure that the entities processing personal data are held accountable. Any data related to health is defined as “sensitive personal data” and the Bill provides rules for processing, storing and transferring any sensitive personal data. The Bill, if passed in its current form, may require us to undertake additional measures to protect the security of the sensitive personal data. If we fail to take reasonable security precautions, or safeguard the personal information collected by us, severe penalties, which may extend to ₹ 50 million or 2% of the data fiduciaries total worldwide turnover of the preceding financial year, whichever is higher may be imposed on us.

Non-compliance with applicable laws, regulations or requirements, or the occurrence of any privacy or security breach involving the misappropriation, loss or other unauthorized disclosure of sensitive personal information, whether by us or by any service provider, could have an adverse effect on our business and reputation, result in the loss of clients, cause us to incur expenses to remediate security concerns, may result in the initiation of legal proceedings against us and the imposition of fines and penalties.

In addition, although we do not make medical records available to the public, we compile such data on an aggregated basis and provide such data to the human resource department of the corporates that we work with and to the insurance professionals of the insurance companies for their analysis and monitoring. Although we believe our current usage of the insured member’s medical information is in compliance with applicable laws and regulations governing the use of such information, we cannot assure you that there will not be breaches of personal data provided to us due to technology failures or lapses in our controls over access to such information. The occurrence of such events could result in legal liabilities and adversely affect our reputation.

**13. *Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.***

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. While our claims processing systems are automated, manual intervention is required in processing complex claims. Our employees could make improper use or disclose confidential information, which could result in the imposition of legal liabilities and adversely affect our reputation. For instance, in the past two of our employees have committed a fraud against our Subsidiary – for further details, see “***Outstanding Litigation and Material Developments***” on page 298. While we strive to monitor, detect and prevent fraud and misconduct in claims processing, or mishandling of claims by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

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, penalties or other actions in connection with any such unauthorized transaction, fraud or misappropriation by our employees or agents, which could adversely affect our business and reputation. We may also be required to make good any monetary loss to the affected party. 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.

**14. *We may be subject to wrongful claims processing that could result in the imposition of penalties or require us to pay damages under our contractual arrangements.***

While providing our benefits administration services, we are required to identify fraudulent cases in the form of inflated or falsified medical bills. While we have taken steps to reduce the risk of fraudulent billing and detect any irregular transactions, we cannot eliminate the possibility of fraud or other illegitimate claims. We

usually process claims based on information on billing and policy coverage. If we wrongfully process a claim, we could be subject to penalties under our contractual arrangements. Fraudulent billing may also result in us incurring additional costs which could adversely affect our business, results of operations and financial condition. Wrongful claims processing also harms our reputation as a trusted TPA in managing medical claims. In the past, we have been penalized for inadvertently processing fraudulent claims due to a delay in detection of fraudulent billing. We have filed certain criminal complaints in relation to such frauds, as described under “*Outstanding Litigation and Material Developments*” on page 298. While such penalty did not have any material impact on our results of operations, we cannot assure you that such instances will not occur in the future.

**15. *If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation may be adversely affected.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of our operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis. While we periodically test and update our internal processes and systems, 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. Our operations are subject to human and system errors, including while scheduling appointments and processing cashless claims, due to the complexity and high volume of transactions. If our efforts to manage these risks are ineffective, we could suffer losses that may adversely affect our results of operations. Any future expansion and diversification in our services will require us to continue to enhance our efforts to manage risks.

Our management information systems and internal procures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal system or processes weaknesses are identified, our actions may not be sufficient to correct such weaknesses. Failures or material errors in our internal systems may lead to, among other things, errors in handling data and failure of critical systems and infrastructure. The failure to properly perform our services could result in our clients that operate regulated businesses being subjected to losses including censures, fines, or other sanctions by applicable regulatory authorities, and we could be liable to parties who are financially or otherwise harmed by those errors. In addition, such errors could subject us to litigation, lose clients or damage our reputation.

**16. *In the event of a disaster, our disaster recovery and business continuity plans may fail, which could result in the loss of client data and adversely interrupt operations.***

Our operations are dependent on our ability to protect our infrastructure against damage from catastrophe, natural disaster, or severe weather including events resulting from unauthorized security breach, power loss, telecommunications failure, terrorist attack, or other events that could have a significant disruptive effect on our operations. We have a disaster recovery and business continuity plan in place in the event of system failure due to any of these events and we test our plans regularly. Our business continuity planning is done at our disaster recovery site in Mumbai. However, we cannot be certain that our plans will be successful in the event of a disaster. If our disaster recovery or business continuity plans are unsuccessful in a disaster recovery scenario, we could potentially lose client data or experience material interruptions to our operations or delivery of services to our clients, and we could be liable to parties who are financially harmed by those failures. The occurrence of such events could adversely affect our business and reputation.

**17. *The benefits administration industry is intensely competitive and our inability to compete effectively may adversely affect our business, results of operations and financial condition.***

The benefits administration industry is intensely competitive and we compete with other entities on the basis of a number of factors, including handling pre-authorization and reimbursement claims, depth of our service offerings, innovation, reputation, price, convenience, strength of our hospital network, customer service, relationships with insurance companies, government agencies, intermediaries and corporate decision-makers and our perceived financial strength. Insurance companies have the flexibility to choose more than one benefits administrator for processing claims and ensuring that their policyholders have access to a wide network of healthcare providers.

Our competitors may have established relationships with many of our current or potential clients and may be able to respond more quickly to new or changing opportunities, evolving trends in the health insurance industry and client requirements. They may offer better technological platforms and offer more aggressive pricing policies than what we may be able to. Competitors may also have substantially greater financial resources, a longer operating history, greater brand recognition and wider geographical presence. In addition, competition may intensify on account of new entrants, the introduction of new technologies or consolidation within the industry.

As a result, we may have to offer discounts or more favorable pricing terms to retain insurance companies and corporate accounts, and ensure growth of our network of healthcare providers. We cannot assure you that we will be able to compete effectively with current or future competitors or that we will be successful in attracting new customers. If we fail to compete effectively, our market share could decrease and our business, results of operations and financial condition could be adversely affected.

***18. The inability to identify, obtain and retain intellectual property rights or technology could harm our business. Further, we may infringe upon the intellectual property rights of others, any misappropriation of which could adversely affect our business and reputation.***

Our success depends in part upon the development of technology platforms and applications to conduct our business. Accordingly, it is important that we identify, obtain and retain intellectual property rights to such technology platforms, both for internal use as well as for use in providing services to our clients and other constituents. Further, we believe that our trademarks and other proprietary rights have significant value and are important to identifying and differentiating our business from those of our competitors and creating and sustaining demand for our services. Our Company and our Subsidiary have registered five trademarks, each. Further, we have made applications for the “Medi Assist” logo under classes 9, 35, 36, 41, 42 and 44 of the Trade Marks Act, 1999. For further details, see “**Government and Other Approvals**” on page 303. Our Subsidiary has applied for registration of the “Medi Assist” logo, under class 44 of the Trade Mark Act, 1999, which has been objected to and is currently pending. For further details, see “**Our Business – Intellectual Property**” on page 146. We cannot assure you that we will be able to successfully register our logo or that the steps taken by us to protect our intellectual property rights will be adequate to prevent the infringement of such rights by others. Third parties may provide services under our or similar brand name or marks which, may result in confusion among customers and loss of business for us. Any adverse experience of customers of such third parties or any negative publicity generated in respect of such third parties could negatively affect our business and reputation.

Although we attempt to avoid infringing upon known proprietary rights of third parties, we are subject to the risk of claims alleging infringement of third-party proprietary rights. If in response to a third-party infringement allegation, we were to determine that we require a license to such third-party’s proprietary rights, then we may be unable to obtain such license on commercially reasonable terms. We may need to undertake substantial re-engineering of our services in order to continue offering them, and we may not be able to succeed in doing so. In addition, any claim of infringement could cause us to incur substantial costs defending such claim, even if the claim is baseless, and could distract our management from our business. A party asserting such an infringement claim could secure a judgment against us that requires us to pay substantial damages, grants such party injunctive relief, or grants other court ordered remedies that could prevent us from conducting our business.

***19. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition.***

Over the last few years, we have experienced considerable growth. Our total income from continuing operations has grown from ₹ 2,415.79 million for the financial year 2018 to ₹ 3,304.07 million for the financial year 2020. Further, our premium under management has grown from ₹ 54,665 million as of March 31, 2018 to ₹ 82,875 million as of December 31, 2020. However, we cannot assure you that we will be able to continue to grow at the same rate, or at all. The growth of our business is dependent on several factors including the quality of our services, our ability to attract new customers and retain our existing customers, our ability to remain competitive, spending capacity of our customers, maintaining and growing our hospital network, providing preferential tariffs and discounted rates, our ability to improve cost efficiencies and enhance scalability, and ability to qualify for public healthcare programs and the government funding for public healthcare programs. Further, we seek to grow our market share in the retail portfolio through three key initiatives, including by increasing the number of insurance companies we work with in our retail

portfolio. If we fail to achieve further growth or manage our growth, we may experience operating inefficiencies or witness a stagnancy or decline in our profit margins, which may adversely affect our business, results of operations and financial condition.

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

Our performance depends largely on the efforts, and abilities of our directors, key managerial personnel, senior management, and our operational personnel who possess significant experience in the industry in which we operate. For further details, see “*Our Management*” on page 165. Further, employees of our Subsidiary are required to possess certain qualifications as specified under the TPA Regulations, and certain of these employees also form part of our Key Managerial Personnel. We believe that the inputs and experience of our key managerial personnel and senior management, in particular, and other key personnel are valuable for the development of our business, operations and the strategic directions taken by our Company. The terms of our financing arrangement with RBL Bank Limited require our Subsidiary to take its prior written consent in the event Dr. Vikram Jit Singh Chhatwal ceases to hold any managerial position in both our Company and our Subsidiary. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. Moreover, we may be required to substantially increase the number of our qualified personnel in connection with any future growth plans, and we may face difficulty in doing so due to the intense competition in our industry for such personnel. The attrition with respect to our employees during financial years 2018, 2019, and 2020 and nine months ended December 31, 2020 was 684, 844, 1,263 and 890 employees, respectively. We may also be required to increase our levels of employee compensation more rapidly than in the past in order to remain competitive in retaining existing employees or attracting new employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, results of operations and financial condition.

**21. *We have acquired certain entities in the past and may continue to do so in the future. Any failure to realize the anticipated benefits of our acquisitions may have an adverse effect on our business, results of operations, financial condition and cash flows.***

As part of our growth strategy, we seek to acquire certain entities from time to time. For example, in 2016, we acquired Dedicated Healthcare Services TPA (India) Private Limited and in 2018, we acquired Medicare TPA Services (India) Private Limited. Further, we may acquire an overseas entity that provides health benefit administration services to several corporates that we service for their employees travelling abroad. The success of any future acquisitions will depend, in part, on our ability to realize the anticipated growth opportunities and synergies from combining such businesses with ours. Integrating such business into ours could be a task that will require substantial time, expense and effort from our management. If management’s attention is diverted or there are any difficulties associated with integrating these business, our results of operations and cash flows could be adversely affected. The success of future acquisitions will depend on a number of factors including: recruiting, training and retaining qualified personnel; obtaining consents or authorizations that may be required in respect of the integrated operations; and developing and improving our infrastructure and internal systems.

Even if we are able to successfully combine the business operations, it may not be possible to realize the full benefits of the integration opportunities, the synergies and other benefits that we expect will result from such acquisitions, or realize anticipated benefits within expected time frames. Any failure to realize the anticipated benefits in a timely manner, or at all, could have an adverse effect on our business, results of operations, financial condition and cash flows.

**22. *There are outstanding legal proceedings involving our Company, our Promoters, our Subsidiary and our Directors.***

There are outstanding legal proceedings involving our Company, our Promoters, our Subsidiary and our Directors. These proceedings are pending at different levels of adjudication before various courts, tribunals and other authorities. The summary of outstanding litigations involving the aforementioned persons/ entities are as follows:

Name of Entity <sup>(1)</sup>	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in million) <sup>(2)</sup>
<b>Company</b>					
By the Company	Nil	Nil	Nil	1	103.62
Against the Company	Nil	1	1	Nil	3.74
<b>Directors</b>					
By the Directors	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	1	Nil	Nil	0.07
<b>Promoters</b>					
By the Promoters	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	1	Nil	1	0.38
<b>Subsidiary</b>					
By the Subsidiary	8	Nil	Nil	Nil	30.80
Against the Subsidiary	1	4	1	Nil	521.36
<b>Total</b>	<b>9</b>	<b>7</b>	<b>2</b>	<b>2</b>	<b>659.97</b>

<sup>(1)</sup> There is no pending litigation involving our Group Companies which will have a material impact on our Company.

<sup>(2)</sup> To the extent quantifiable

For further information, see “*Outstanding Litigation and Material Developments*” beginning on page 298.

Such litigation could divert management time and attention, and consume financial resources in their defence or prosecution. Should any new developments arise, such as any rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and current liabilities. Further, an adverse outcome in any of these proceedings may affect our reputation, standing and future business, and could have an adverse effect on our business, prospects, financial condition and results of operations. We cannot assure you that any of these proceedings will be decided in favour of our Company, Promoters, Subsidiary or Directors.

**23. We rely on our existing brands and the dilution of such brands could adversely affect our business and prospects.**

Our brands and reputation are among our most important assets and we believe our brands serve in attracting customers to our services in preference over those of our competitors. We believe that continuing to develop awareness of our brands, through focused and consistent branding and marketing initiatives is important for our ability to grow our existing market share and expand our business. Any decrease in the quality of services that we provide due to reasons beyond our control, even when false or unfounded, could tarnish the image of our brands and may cause customers to choose the services of our competitors. Litigation, employee misconduct, operational failures, regulatory investigations, press speculation and negative publicity, among others relating to us, could damage our brands or our reputation. Further, the considerable expansion in the use of social media over recent years has compounded the impact of any negative publicity.

Negative publicity could be based, for example, on allegations that we have failed to comply with regulatory requirements or result from failure in business continuity or performance of our information technology systems, loss of customer data or confidential information, unsatisfactory service and support levels or insufficient transparency. Since we provide certain services on behalf of other organizations whom we have limited control over, any negative news affecting such organizations might also affect our reputation and brand value. Any damage to our brands or reputation could cause existing customers to withdraw their business and potential customers to reconsider doing business with us. Further, negative publicity may result in increased regulation and legislative scrutiny of industry practices as well as increased litigation, which may further increase our costs of doing business and adversely affect our profitability. Consequently, any adverse publicity involving our brands or our services may impair our reputation, dilute the impact of our branding and marketing initiatives and adversely affect our business and our prospects.

**24. Any failure to maintain the quality of our services may negatively impact our brands and reputation and result in loss of the insurance companies and the corporates account serviced by us, which may adversely affect our business and results of operations.**

Our business is dependent upon us providing high quality services, which is measured by factors such as quick turnaround time in claims processing, responsiveness, accuracy and effective grievance redressal. If we are unable to provide high quality services or experience a high rate of dissatisfaction from the insurance companies or the corporate accounts serviced by us, our brands or reputation could be damaged.

The TPA Regulations allow the policyholder to choose a TPA of their choice from the TPAs engaged by the insurer. The insurer is required to provide the names of the TPAs among whom the policyholder may choose the TPA of their choice at the point of sale or at the time of renewal of the policy. The insurance companies or the corporate accounts serviced by us may not select us, if we fail to maintain adequate service standards.

Our commission and fee are linked to the premiums serviced by us. Any loss of our key insurance company clients or corporate accounts may result in a decline in the premiums under management, which could adversely affect our business and results of operations.

**25. *We may be subject to potential reputational harm arising from any negligence or misconduct by our healthcare service provider network.***

We enter into arrangements with various healthcare providers and expect them to obtain and possess all requisite licenses, approvals and qualifications that are required for their operations and to adhere to certain performance standards, both, in terms of client service and the quality of the medical care that they provide. However, certain healthcare providers in our network may engage in conduct which our clients find unacceptable, including providing negligent or sub-standard service, mishandling sensitive personal healthcare information and committing medical malpractice including financial fraud. We have limited ability to control the actions of such healthcare providers.

While we carry out limited verification of healthcare providers prior to on-boarding them to our network, we cannot assure you that they will provide quality services on a consistent basis. We could be exposed to reputational harm and possible liability as a result of servicing insured members through a healthcare provider who performs unsatisfactorily. Further, in the event of any negligence or malpractice by healthcare providers in our network, the aggrieved insured member or corporate could raise a claim against such healthcare provider, and may also make us a party to such litigation. Although we contractually limit our liability for damages, including consequential damages (whether in contract, tort or otherwise), we cannot assure you that the limitations on liability will be enforceable in all such cases. Further, while such claims and litigation may be frivolous, any claims or litigation brought against us could result in substantial costs and diversion of our resources.

**26. *We have commissioned an industry report from Frost & Sullivan (India) Private Limited which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us. Accordingly, prospective investors are advised not to place undue reliance on such information.***

We have commissioned and paid Frost & Sullivan (India) Private Limited to prepare a report on the health benefits administration in India and they have provided us with a report titled “*Indian Health Benefits Administration and Health Management Services Market Report*” dated May 2021 (the “**F&S Report**”), which has been used for industry related data that has been disclosed in this Draft Red Herring Prospectus. The F&S Report uses certain methodologies for market sizing and forecasting. Neither we, nor any of the BRLMs have independently verified such data and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on the information in the F&S Report.

**27. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interests with our shareholders.***

We have entered into several transactions with related parties and may continue to do so in the future. For further details, see “*Financial Statements – Note 41 – Related party disclosures*” on page 256. While we believe that all such transactions have been conducted on an arm’s length basis, in accordance with our related party transactions policy and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. Although all related party transactions that we may enter into post-listing, will be subject to board or shareholder approval, as necessary under the Companies Act and the Listing Regulations, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties.

**28. We have had negative cash flows from investing and financing activities in the past, and may continue to have negative cash flows in the future.**

The following table sets forth net cash generated from / (used in) operating, investing and financing activities for the periods indicated:

	(₹ in million)				
	Nine Month Period Ended December 31,		Financial Year		
	2020	2019	2020	2019	2018
Net cash generated from Operating Activities	491.54	172.10	186.54	350.24	402.09
Net cash (used in) Investing Activities	(211.10)	(52.49)	(222.22)	(210.83)	(420.68)
Net cash (used in) Financing Activities	(93.27)	(85.38)	(117.53)	(100.46)	(68.50)
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>	187.17	34.23	(153.21)	38.95	(87.09)

For further details, see “*Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 193 and 268, respectively. We cannot assure you that our net cash flows will be positive in the future.

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

We believe that the insurance coverage we maintain is reasonably adequate to cover the normal risks association with the operation of our business. Our principal types of coverage include cyber liability insurance, directors’ and officers’ liability insurance, crime insurance, IT errors and omissions liability insurance and commercial general liability insurance. We also maintain a business protection insurance policy which covers against losses such as those occasioned by fire, earthquakes, terrorism, burglary and public liability. However, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have obtained sufficient insurance to cover all potential 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, but 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 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.

**30. The reports of the statutory auditors of our Company and our Subsidiary contain certain matters of emphasis.**

The reports issued by the statutory auditors of our Company and our Subsidiary, as applicable, pursuant to the Companies Auditor’s Reports Order, 2016, for the financial years 2018 and 2020, contain the following matters of emphasis:

**Extract from the Independent Auditors' report on the Audited Consolidated Financial Statements of our Company for the financial year 2020:**

*"We draw attention to Note 37 to the consolidated financial statements regarding the Scheme of Arrangement ('Scheme') for demerger of Consumer Health business of the Company. The Scheme has been approved by the National Company Law Tribunal ('NCLT') vide its order dated 4 November 2020 with appointed date of 1 September 2019 and a certified copy has been filed by the Company with the Registrar of Companies, Karnataka, on 4 December 2020. In accordance with the Scheme approved by NCLT, the Company has given effect to the Scheme from retrospective appointed date specified therein which overrides the relevant requirement of Ind AS 10 (according to which the Scheme would have been accounted for from 4 November 2020 which is the date of transfer as per the aforesaid standard). The financial impact of the aforesaid treatment has been disclosed in the aforesaid note. Our opinion is not modified in respect of this matter."*

**Extract from the Independent Auditors' report on the Audited Consolidated Financial Statements of our Subsidiary for the financial year 2020:**

*"**Point X:** As stated in Note 38 of the financial statements, management informed us that two of its employees (the employees) misappropriated funds amounting to Rs 13.13 million by gaining unauthorized access to a third-party system. According to the information and explanation given to us, no other material fraud on the Company by its officers and employees or fraud by the Company has been noticed or reported during the course of our audit."*

**Extract from the Independent Auditors' report on the Audited Consolidated Financial Statements of our Company for the financial year 2018:**

*"We draw attention to Note 32 to the Ind AS financial statements regarding the Scheme of Arrangement ('Scheme') which has been approved by the Honorable Regional Director vide its order dated 6 April, 2018. The Company has given effect to the Scheme from the appointed date specified in the Scheme i.e. 1 October 2016 which is also the acquisition date and accordingly the prior period financial information has been restated from the appointed date. Our opinion is not modified in respect of this matter."*

There is no assurance that our audit reports for any future fiscal periods will not contain qualifications, matters of emphasis or other observations which affect our results of operations in such future periods. For further details, see, "**Financial Statements**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 193 and 268, respectively.

**31. We have certain contingent liabilities, which, if materialized, may adversely affect our financial condition and results of operations.**

As of December 31, 2020, our contingent liabilities were as follows:

	(₹ in million)
	As of December 31, 2020
Bonus as per the Payment of Bonus (Amendment) Act, 2015 for the period from April 1, 2014 to March 31, 2015 <sup>(1)</sup>	6.15
Demands raised by the income-tax authorities for the assessment year 2017-18 on account of disallowance of amortisation on goodwill and prior period expenditure and disallowance under section 14A of the Income Tax Act. Net of amount paid to Income tax authority under protest of ₹ 8.02 million	20.75
Disallowed under section 40(a)(ia) of the Income Tax Act, for payments made to various hospitals during the financial years 2007-08 and 2008-09 <sup>(2)</sup>	464.96
Disallowance of employee stock option expenses and disallowance under section 14A Income Tax Act for assessment year 2017-18	3.74
Employee Provident Fund <sup>(3)</sup>	-
<b>Total</b>	<b>495.60</b>

<sup>(1)</sup> The Payment of Bonus (Amendment) Act, 2015 was notified by the Government of India with retrospective effect from April 1, 2014. The High Court of Karnataka based on the writ petition number 5272/2016 and 5311/2016, has vide its order dated February 2, 2016, stayed the operation of the said notification for the financial year 2014-15. The obligation to pay the bonus for the financial year 2014-15 will arise only if the High Court disposes off the writ petition in favour of the Government. Hence, the Company and the Subsidiary have taken a view that an amount of ₹ 6.15 million which is the approximate statutory bonus liability, for the eligible employees in respect of financial year 2014-15, has been considered as a contingent liability.

<sup>(2)</sup> As per income tax assessment order, the Assessing Officer has disallowed under section 40(a)(ia) on payments made to various hospitals during the financial year 2007-08 and 2008-09 totalling to ₹ 118.92 million and ₹ 964.75 million respectively and



accordingly raised a demand of ₹ 29.71 million and ₹ 435.25 million under section 143(3) of the Income Tax Act respectively. The Company filed an appeal against these above orders as the payments to hospitals were made from the funds received from insurance companies were an advance and all payments were adjusted against the advance received. The payments were not claimed as an expenditure, hence, these cannot be disallowed under said section. The Subsidiary received favorable orders from Commissioner of Income Tax (Appeals) on August 8, 2012, Income Tax Appellate Tribunal on December 10, 2014, and the High Court on November 30, 2015. However, the income tax department has filed an appeal with the Supreme Court of India. Further, our Subsidiary had acquired Dedicated Healthcare Services TPA (India) Private Limited (DHS) on September 30, 2016 and pursuant to the merger order dated April 6, 2018, DHS merged with the subsidiary from the appointed date specified in the scheme i.e. October 1, 2016.

<sup>(3)</sup> In light of the judgment of the Supreme Court of India dated February 28, 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Miscellaneous Provisions Act, 1952 and based on Company and Subsidiary's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence, it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods. The Company and Subsidiary will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Company and Subsidiary do not expect any material impact of the same.

If a significant portion of these liabilities materialize, it could have an adverse effect on our results of operations and financial condition.

**32. The success of our business and operations are dependent upon certain quality accreditations which are valid for a limited time period. An inability to renew such accreditations in a timely manner, or at all, may adversely affect our business and prospects.**

We have an ISO 9001:2015 and an ISO 27001:2013 certification for our operations as a TPA. Receipt of certifications and accreditations under the standards of quality is important for the success and wide acceptability of our services. If we fail to comply with the requirements for applicable quality standards, or if we are otherwise unable to obtain or renew such quality accreditations in the future, in a timely manner, or at all, our business and prospects may be adversely affected.

**33. We conduct our business operations on leased premises, and our inability to renew such leases may adversely affect our operations.**

All our offices are located on leased premises. These lease agreements may be terminated in accordance with their respective terms, and any termination or non-renewal of such leases could adversely affect our operations. Additionally, some of these leases generally have annual escalation clauses for rent payments. There can be no assurance that we will be able to retain or renew such leases on same or similar terms, or that we will find alternate locations for the existing offices on terms favorable to us, or at all. Failure to identify suitable premises for relocation of existing properties, if required, or in relation to new or proposed properties we may purchase, in time or at all, may have an adverse effect on our production and supply chain, the pace of our projected growth as well as our business and results of operations. Any adverse effect on the title of the owners of whose premises we operate in, breach of the contractual terms of any lease or other relevant agreements, or if such owners seek to renew such agreements on terms and conditions unfavourable to us, may result in a disruption in our operations and we will have to look for alternate premises. We may be unable to relocate our offices in a timely manner or at an acceptable cost, which may adversely affect our business and results of operations.

**34. Our ability to pay dividends in the future will depend on our profitability and the financial performance of our Subsidiary.**

Our ability to pay dividends in the future will depend on our profitability, the financial performance of our Subsidiary and its ability to pay dividends to our Company. Any future determination as to the declaration and payment of dividends by our Company will be at the discretion of our Board and approved by the Shareholders, subject to the provisions of the Articles of Association and applicable law, including (i) the Companies Act, 2013, (ii) Insurance Act 1938, as amended by Insurance Laws (Amendment) Act, 2015 and the regulations made thereunder and (iii) Insurance Regulatory and Development Authority of India (Third Party Administrators - Health Services) Regulations, 2016 and rules made thereunder, to the extent applicable to us, and (iv) the SEBI Listing Regulations to the extent applicable to insurance companies and our Company's dividend policy. In the past, we have not made dividend payments to the Shareholders of our Company. We may retain all future earnings, dividends and distributions received from our Subsidiary, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant. Such factors may include financial parameters such as EBITDA margin and return on net worth, internal factors such as dividend

payout trends and capital expenditure requirements, and external factors such as shareholders expectation and tax implications. We cannot assure you that we will be able to pay dividends in the future. For further details, see “*Dividend Policy*” on page 192.

**35. *Conflicts of interest may arise out of common business objects shared by our Company, certain of our Group Companies and our Promoters, which may affect our business, results of operations and financial conditions.***

The main objects clause of the constitutional documents of Mandala, one of our Group Companies, permits it to undertake business which is similar to our business. We cannot assure you that our Promoters will not favor the interests of such companies over our interest or that, in the absence of non-compete arrangements with such entities, we will be able to suitably resolve any such conflict without an adverse effect on our business or operations.

In addition, the main objects clause of the constitutional documents of our Promoter, Medimatter Health, permits it to establish, run and support healthcare centres which will provide medical services for healthy living of people by using ayurveda, panchkarma, yoga, acupressure, acupuncture, reiki, music healing or any other acceptable medical systems, rejuvenation therapies and treatments of preventions, healing and purification of health; advance learning of medical systems research in India and abroad; and to produce, prepare, make, sell, market, distribute medical products, solutions, equipment and materials. We cannot assure you that Medimatter Health will refrain from engaging in such business in the future or that conflicts of interests will not arise between Medimatter Health and our Company. We cannot assure you that Medimatter Health, as our Promoter, will not try causing our Company to take actions, or refrain from taking actions, for Medimatter Health's own benefits, which may adversely affect our business, financial condition and results of operations.

**36. *Some of our Directors, Promoter and Key Managerial Personnel may have interests in entities which are in businesses similar to ours, and this may result in conflict of interest with us.***

Certain of the directors of our Company (Gopalan Srinivasan, Vishal Vijay Gupta and Gaurav Sharma), our Promoter (Dr. Vikram Jit Singh Chhatwal) and our Key Managerial Personnel (Nikhil Chopra), have interests in entities that are engaged in businesses similar to ours.

Dr. Vikram Jit Singh Chhatwal, our Promoter, is a director on the board of Mandala and a shareholder of Mandala and Nikhil Chopra, our Chief Business Officer, is also a director on the board of Mandala, which is in the business of supporting and running healthcare centres providing medical services. Dr. Vikram Jit Singh Chhatwal is a director on the Board of Medimatter Health and a shareholder of Medimatter Health. Further, pursuant to a scheme of arrangement dated February 7, 2020 filed before the National Company Law Tribunal, Chennai Branch and the National Company Law Tribunal, Bengaluru Branch, Mandala is proposed to be merged into Phasorz. Subject to the approval of the National Company Law Tribunal, Chennai Branch, of the scheme of arrangement, Dr. Vikram Jit Singh Chhatwal will be issued shares of Phasorz, in consideration for their respective shareholding in Mandala. Since these entities are in a similar line of business as that of our Company, there can be no assurance that conflicts of interest will not occur between our business and the businesses of such entities, which could have an adverse effect on our business and prospects.

Gopalan Srinivasan, an independent Director on our Board, is also a director on the board of Navi General Insurance Limited, which is engaged in the insurance business. Further, Vishal Vijay Gupta, our nominee Director is on the board of Nephrocare Health Services Private Limited and Phasorz Technologies Private Limited; and Gaurav Sharma, our nominee Director, is also director on the board of Nephrocare Health Services Private Limited and ASG Hospital Private Limited. Since, these entities are in similar lines of business to our Company, there can be no assurance that conflicts of interest will not occur between our business and the businesses of such entities, which could have an adverse effect on our business and prospects.

There is no assurance that Dr. Vikram Jit Singh Chhatwal or our Directors will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in future. Such factors may have an adverse effect on the results of our operations and financial condition.

**37. Our Subsidiary has availed a bank guarantee which is repayable on due date. Any demand from lenders for repayment of such bank guarantee may adversely affect our cash flows.**

As on April 16, 2021, our Subsidiary has availed a bank guarantee amounting to ₹ 195.83 million, which may be cancelled, suspended or withdrawn by the lender at any time without assigning any reason and may adversely affect our cash flows. Further, our Company and our Subsidiary, may in the future continue to avail borrowings (such as loans from financial institution), which may be recalled at any time, with or without the existence of an event of default, on short or no notice. Such recalls on borrowed amounts may be contingent upon happening of an event beyond our control and there can be no assurance that we will be able to persuade our lender to give us extensions or to refrain from exercising such recalls, which may adversely affect our results of operations and cash flows. For further details, see “*Financial Indebtedness*” on page 266.

**38. Our Directors, Promoters and key managerial personnel have interests in us other than reimbursement of expenses incurred and normal remuneration and benefits.**

Certain of our Promoters, Directors or Key Managerial Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Further, in addition to transactions disclosed at “*Financial Statements*” on page 193, such Directors, Promoters or Key Management Personnel may be deemed to be interested to the extent of Equity Shares held by them, directly or indirectly, in our Company, as well as to the extent of any dividends, bonuses or other distributions on such shareholding. Certain of our Directors and key managerial personnel may also be regarded as interested to the extent of employee stock options granted by our Company and which may be granted to them from time to time pursuant to MAHS ESOP Scheme 2013, as applicable. For details, see “*Capital Structure*” on page 67. Additionally, Dr. Vikram Jit Singh Chhatwal, our Chairman and Whole-time Director and to the extent of being a shareholder of Mandala and a director on the board of directors of Mandala, and Nikhil Chopra, our Chief Business Officer and to the extent of being a director on the board of directors of Mandala, are interested in agreements such as Master License Agreement, Merger Implementation Agreement, Trademarks Assignment Agreement and GTM Agreement entered into with Mandala. Dr. Vikram Jit Singh Chhatwal is also interested in the scheme of arrangement dated February 7, 2020 filed before the National Company Law Tribunal, Chennai Branch and the National Company Law Tribunal, Bengaluru Branch, where Mandala is proposed to be merged into Phasorz. Subject to the approval of the National Company Law Tribunal, Chennai Branch and the National Company Law Tribunal, Bengaluru Branch, on the scheme of arrangement, Dr. Vikram Jit Singh Chhatwal will be issued shares of Phasorz, in consideration for his respective shareholding in Mandala. Further, Dr. Vikram Jit Singh Chhatwal, in his capacity as both a shareholder and a director on the board of Medimatter Health, and Satish V.N. Gidugu, in his capacity as the director on the board of Medimatter Health, held interests in certain consulting service agreements entered between our Company and Medimatter Health in financial years 2019, 2020 and 2021. For more details, see “*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years*”, “*History and Certain Corporate Matters – Other Material Agreements*” and “*Our Promoters and Promoter Group - Business interest of our Promoters*” on pages 158, 160 and 185, respectively. For further details, other than reimbursement of expenses incurred or normal remuneration or benefits, see “*Our Management – Interest of Directors*”, “*Our Management – Interest of Key Managerial Personnel*” and “*Our Promoter and Promoter Group*” on pages 170, 181 and 183, respectively. Dr. Vikram Jit Singh Chhatwal, in his capacity as a director and shareholder of Medimatter Health, and Satish V.N. Gidugu, in his capacity as the director on the board of Medimatter Health, are also interested to the extent of repayment of certain non-convertible debentures (*including interest*), by our Company to Medimatter Health. As on the date of filing this Draft Red Herring Prospectus, all non-convertible debentures have been redeemed. For details, see “*Our Management – Interest of Directors*”, “*Promoter and Promoter Group – Interests of our Promoters*” on page 170 and 185, and “*Financial Statements - Note 41 – Related party disclosures*” on page 256. We cannot assure you that our Directors and our key managerial personnel, if they are also our shareholders, will exercise their rights as shareholders to the benefit and best interest of our Company.

**39. We have issued Equity Shares during the preceding one year at a price that is below the Offer Price.**

Other than bonus issue of 68,784,850 Equity Shares on April 9, 2021, we have issued Equity Shares in the last 12 months at a price that is lower than the Offer Price, as set out in the table below:

Date of	Name(s) of	No. of Equity	Face Value	Issue Price	Nature of	Reason of
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Allotment	allottee(s)	Shares allotted	per Equity Share (₹)	per Equity Shares (₹)	Consideration	allotment
March 5, 2021	Medimatter Health	1,099	10	-*	Cash	Conversion of 9,175 Series B CCPS to Equity Shares

\* Consideration was paid at the time of issuance of redeemable preference shares at (i) ₹57,000 per redeemable preference share for 9,000 redeemable preference shares of ₹10 each allotted on June 29, 2011; and (ii) ₹57,142.86 per series B redeemable preference share for 175 redeemable preference shares of ₹10 each allotted on March 22, 2012. 9,175 redeemable preference shares were converted into Series B CCPS and subsequently into Equity Shares pursuant to resolutions of our Board dated March 4, 2021 and March 5, 2021, respectively.

The Offer Price is not indicative of the price at which our Company has issued the Equity Shares in the preceding 12 months or that will prevail in the open market following listing of the Equity Shares. For details, see “**Capital Structure**” beginning on page 67.

**40. Our Company will not receive any proceeds from the Offer for Sale**

The Offer includes an offer for sale of Equity Shares by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Selling Shareholders and we will not receive any such proceeds.

**41. We will continue to be controlled by our Promoter after the completion of the Offer.**

As of the date of this Draft Red Herring Prospectus, our Promoter and certain members of the Promoter Group hold 77.14% of the issued, subscribed and paid-up Equity Share capital of our Company. Upon completion of the Offer, our Promoter and certain members of the Promoter Group together will continue to exercise significant control over us, which will allow them to vote together in capacity as shareholders of our Company on certain matters in general meetings of our Company. Accordingly, the interests of our Promoters and certain members of the Promoter Group in capacity as shareholders of our Company may conflict with your interests and interests of other shareholders of our Company.

**42. Our corporate Promoters may not have adequate experience in the business activities undertaken by our Company and Subsidiary.**

Our corporate Promoters, (a) BICH-II, is primarily engaged in the business of making investments and investments holdings, and (b) Medimatter Health is primarily engaged in the business of supporting and running healthcare centres. Due to the nature of their core business activities, our corporate Promoters may not have adequate experience in the business activities undertaken by our Company and Subsidiary. For details, see “**Our Promoters and Promoter Group**” on page 183. Our Company cannot assure you that the lack of such adequate prior experience of our corporate Promoters in our line of business will not have any adverse impact on the management and/ or operations of the Company and Subsidiary.

**43. Our Subsidiary is required to comply with certain restrictive covenants under the financing agreement. Any non-compliance will lead to an event of default resulting in repayment of the facility on demand, suspension of further disbursements or cancellation of facility, which may adversely affect its business, results of operations, financial condition and cash flows and impact dividends and distributions of our Subsidiary to our Company.**

Our Subsidiary has availed a bank guarantee from RBL Bank Limited which contains certain restrictive covenants, including, but not limited to, requirement to obtain consent from the lender prior to undertaking certain matters including, but not limited to, any creation of charge, mortgage, pledge, hypothecation, lien or other encumbrance over the hypothecated assets in favour of any person other than RBL Bank Limited. RBL Bank Limited, by way of its letter dated March 18, 2021, has waived the requirements of the Subsidiary to comply with the requirement of seeking prior approval from RBL Bank Limited in the event the following occurs: any material change in the management or shareholding pattern of the Subsidiary or any amendments in the Subsidiary’s constitutional documents; and any change in its management and constitution or change in the Subsidiaries capital structure including proposed equity and debt patterns. Additionally, our Subsidiary is also required to comply with certain financial covenants, including maintaining the leverage and the adjusted tangible net worth at the required value and amount, respectively provided by the RBL Bank Limited. There can be no assurance that our Subsidiary will be able to comply with these financial, restrictive or other covenants. Further, the lender can charge an additional penal interest at the rate of 2% per annum on

occurrence of the events, including but not limited to, non-compliances, if not regularised within 30 days of notice issued by RBL Bank Limited, as mentioned in the working capital facility agreement. For further information, see “*Financial Indebtedness*” on page 266.

Such cancellation of the facility, repayment of the bank guarantee or payment of additional penal interest may adversely affect our Subsidiary’s business, results of operations, financial condition and cash flows and may have an impact on the dividends and distributions of our Subsidiary to our Company.

**44. *We have, in the past, failed to make timely regulatory filings with the RoC under applicable law.***

We are unable to source certain minutes of our Board meetings with respect to change in our registered office and we have, in the past, been delayed in making certain regulatory filings required under the Companies Act, beyond the prescribed timelines, resulting in non-compliance for which we were required to pay fines and penalties. For instance, we paid an additional fee of ₹ 1,200 for the delayed filing of the form PAS-3 with the RoC, in connection with the conversion of our Series B CCPS into Equity Shares. There can be no assurance that such non-compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such non-compliances, in a timely manner or at all. Any penalty or regulatory action taken against us may adversely impact our cash flows and results of operations.

**External Risk Factors**

**Risks Relating to India**

**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 capital markets are influenced by economic, political and market conditions in India and globally. Our Company is incorporated in India, and all of our assets and employees are located in India. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Further, the following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- downgrade of India’s sovereign debt rating by an independent agency;
- political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war; and
- India has experienced epidemics and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years;
- financial instability and turmoil in other countries; and
- contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. A worsening of the current COVID-19 pandemic or any similar future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

**46. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations and prospects.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, 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 GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us; and
- the Government of India has implemented a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure. In this regard, the Constitution (One hundred and first Amendment) Act, 2016 enables the Government of India and state governments to introduce GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

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, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

**47. *Investors may not be able to enforce a judgment of a foreign court against our Company outside India.***

Our Company is incorporated under the laws of India. Our Company's assets are located in India and a majority of our Company's Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore, United Arab Emirates and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

The United Kingdom, Singapore, United Arab Emirates and Hong Kong have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases

to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

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

Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 340.

**49. *Any adverse change in India's sovereign credit rating by an international rating agency could adversely affect our business, results of operations and cash flows.***

In November 2016, Standard & Poor's, an international rating agency, reiterated its negative outlook on India's credit rating. It identified India's high fiscal deficit and heavy debt burden as the most significant constraints on its rating, and recommended the implementation of reforms and containment of deficits. Standard & Poor's affirmed its outlook on India's sovereign debt rating to "stable", while reaffirming its "BBB-" rating. In May 2017, Fitch, another international rating agency, affirmed India's sovereign outlook to "stable" and affirmed its rating as "BBB-". In November 2017 Moody's Investors Service ("**Moody**") upgraded the Sovereign Credit Rating of India to Baa2 from Baa3 and changed the outlook on the rating to stable from positive. On June 1, 2020, Moody's downgraded India's sovereign rating to the lowest investment grade and maintained the outlook from stable to negative. This is a result of the pandemic, which has exacerbated India's weak fiscal setting. However, on June 10, 2020, S&P Global affirmed its BBB-long-term

sovereign ratings on India with a stable outlook. Prior to the onset of the pandemic, India's GDP growth slowed on account of existing vulnerabilities such as a weak financial sector and subdued private investment. Going forward, the sovereign ratings outlook will remain dependent on whether the government is able to transition the economy into a high-growth environment, as well as exercise adequate fiscal restraint. Any adverse change in India's credit ratings by international rating agencies may adversely impact the Indian economy and consequently our business.

**50. *Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.***

The financial statements included in this Draft Red Herring Prospectus have been prepared in accordance with Ind AS. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the SEBI ICDR Regulations included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

**51. *Rights of shareholders under Indian laws may differ to those 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 similar to the shareholders' rights under the laws of other countries or jurisdictions.

#### **Risks Relating to the Offer**

**52. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares has been determined by our Company and Promoter Selling Shareholders in consultation with the BRLMs, and through the Book Building Process. This price is based on numerous factors, as described under "**Basis for Offer Price**" beginning on page 86 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

**53. *The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares has been determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

**54. *The requirements of being a publicly listed company may strain our resources.***

We are not a publicly-listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not previously incur as an unlisted company. We will be subject to the SEBI Listing Regulations,



which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

**55. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

**56. *You may not be able to immediately sell any of the Equity Shares you subscribe to in this Offer on an Indian Stock Exchange.***

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted till the Equity Shares in this Offer have been Allotted and all relevant documents are submitted to the Stock Exchanges. Further, certain actions must be completed prior to the commencement of listing and trading of the Equity Shares such as the demat accounts of the Investors are expected to be credited within three Working Days of the date on which the Basis of Allotment is finalized with the Designated Stock Exchange. In addition, upon receipt of listing and trading approval from the Stock Exchanges, trading of Equity Shares is expected to commence within six Working Days from Bid/ Offer Closing Date. There could be failure or delays in listing the Equity Shares on the Stock Exchanges.

**57. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options or sale of our Equity Shares by the Promoters 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 or convertible securities or other equity-linked securities or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our 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. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes 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 unrealized capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of securities transaction tax (“STT”), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by an Indian stock exchange on which the 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 the 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 the Equity Shares.

The Finance Act, 2019, had clarified that in the absence of a specific provision under an agreement, the buyer shall be liable to pay stamp duty in case of sale of securities through stock exchanges, and the transferor shall be liable to pay stamp duty in case of transfer for consideration through a depository. 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 provisions have been notified with effect from July 1, 2020. However, the Government of India had announced the union budget for Financial Year 2022 and the Finance Bill, 2021 was introduced in the Lok Sabha on February 1, 2021, which has now been passed by Parliament. The Finance Bill has received assent from the President of India on March 28, 2021, and has been enacted as the Finance Act, 2021. There is no certainty on the impact that the Finance Act may have on our business and operations or on the insurance industry.

**60. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. RIIs can revise or withdraw their Bids during the Bid/Offer Period. While our Company is required to complete all necessary formalities for listing and commencement of trading of our Equity Shares on the Stock Exchanges where such Equity Shares are proposed to be listed and the Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders’ decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders’ ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

## SECTION III – INTRODUCTION

### THE OFFER

The following table summarizes details of the Offer:

<b>Offer<sup>(1)</sup></b>	Up to 28,028,168 Equity Shares aggregating up to ₹ [●] million
<b>A. QIB Category<sup>(2)</sup></b>	Not more than [●] Equity Shares
<i>Of which:</i>	
Anchor Investor Portion <sup>(3)</sup>	Up to [●] Equity Shares
Balance available for allocation to QIBs other than the Anchor Investor Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares
<i>Of which:</i>	
Available for allocation to Mutual Funds only (5% of the QIB Category (excluding the Anchor Investor Portion))	[●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares
<b>B. Non-Institutional Category</b>	Not less than [●] Equity Shares
<b>C. Retail Category</b>	Not less than [●] Equity Shares
<b>Pre and post-Offer Equity Shares</b>	
Equity Shares outstanding prior to and after the Offer	68,859,212 Equity Shares
<b>Use of proceeds of the Offer</b>	Our Company will not receive any proceeds from the Offer for Sale. For details, see “ <i>Objects of the Offer</i> ” on page 84.

<sup>(1)</sup> The Offer has been authorised by a resolution by our Board of Directors dated March 5, 2021. The Selling Shareholders have authorized their respective participation in the Offer for Sale. For details see “*Other Regulatory and Statutory Disclosures*” on page 305. The Equity Shares being offered by the Selling Shareholders are eligible for being offered for sale in terms of the SEBI ICDR Regulations.

<sup>(2)</sup> Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

<sup>(3)</sup> Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion will be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the QIB Category. 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Category and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see “*Offer Procedure*” and “*Offer Structure*” on pages 325 and 322, respectively.

Pursuant to Rule 19(2)(b) of the SCRR, the Offer is being made for at least 40.70% of the post- Offer paid-up Equity Share capital of our Company. Allocation in all categories, except the Anchor Investor Portion if any, and the Retail Category, shall be made on a proportionate basis, subject to valid Bids being received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For more information, see “*Offer Structure*”, “*Offer Procedure*” and “*Terms of the Offer*” on pages 322, 325 and 317.

## SUMMARY FINANCIAL STATEMENTS

*The summary financial statements presented below should be read in conjunction with “**Financial Statements**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 193 and 268, respectively.*

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**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**

**Restated Consolidated Balance Sheet**

*(All amounts are in Indian Rupees in millions, unless otherwise stated)*

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	282.42	283.99	318.45	298.17	206.56
Right-of-use assets	286.26	325.66	354.95	388.89	399.80
Goodwill	409.80	409.80	409.80	409.80	367.39
Other intangible assets	252.97	283.85	296.37	324.16	347.45
Intangible assets under development	-	36.12	13.82	32.49	-
Financial assets					
Investments	62.51	162.02	152.35	134.58	232.10
Loans receivable	55.42	62.86	55.97	50.02	82.17
Other financial assets	35.54	6.04	22.88	5.70	58.46
Income tax assets, (net)	647.89	756.04	836.68	687.16	413.45
Deferred tax assets (net)	38.15	32.59	29.52	43.25	3.22
Other non-current assets	17.66	4.48	12.00	0.29	19.58
<b>Total non-current assets</b>	<b>2,088.62</b>	<b>2,363.45</b>	<b>2,502.79</b>	<b>2,374.51</b>	<b>2,130.18</b>
<b>Current assets</b>					
Financial assets					
Investments	329.02	708.20	566.80	745.75	680.10
Trade receivables	607.76	638.25	678.84	901.91	976.61
Unbilled receivables <i>(considered unsecured)</i>	958.34	835.97	758.38	908.45	755.92
Cash and cash equivalents	327.12	157.89	139.95	98.66	59.71
Bank balances other than cash and cash equivalents	649.20	58.14	251.39	36.97	60.50
Loans receivable	17.80	7.81	13.46	11.61	15.01
Other financial assets	196.19	186.72	581.71	51.90	9.18
Other current assets	97.20	98.66	88.42	77.86	114.97
<b>Total current assets</b>	<b>3,182.63</b>	<b>2,691.64</b>	<b>3,078.95</b>	<b>2,833.11</b>	<b>2,672.00</b>
Assets classified as held for sale	150.76	-	-	-	-
<b>Total assets</b>	<b>5,422.01</b>	<b>5,055.09</b>	<b>5,581.74</b>	<b>5,207.62</b>	<b>4,802.18</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Equity share capital	0.36	0.36	0.36	0.36	0.35
Other equity	2,452.47	2,094.23	2,124.01	2,178.05	2,041.40
<b>Total equity attributable to owners of the Company</b>	<b>2,452.83</b>	<b>2,094.59</b>	<b>2,124.37</b>	<b>2,178.41</b>	<b>2,041.75</b>
Non-controlling interest	21.57	21.57	21.57	21.57	33.28
<b>Total equity</b>	<b>2,474.40</b>	<b>2,116.16</b>	<b>2,145.94</b>	<b>2,199.98</b>	<b>2,075.03</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Financial liabilities					
Lease liabilities	294.92	332.05	341.67	382.04	395.76
Borrowings	-	1.73	1.77	1.60	1.44
Provisions	85.92	67.58	72.87	61.81	38.21
Deferred tax liabilities (net)	-	-	-	13.16	3.74
<b>Total non-current liabilities</b>	<b>380.84</b>	<b>401.36</b>	<b>416.31</b>	<b>458.61</b>	<b>439.15</b>
<b>Current liabilities</b>					
Financial liabilities					
Lease liabilities	75.89	66.83	85.82	75.44	47.72
Borrowings	717.50	548.00	717.50	523.00	523.00
Trade payables					
total outstanding dues to micro enterprises and small enterprises	6.69	3.78	0.48	-	-
total outstanding dues to creditors other than micro enterprises and small enterprises	351.15	346.18	386.42	657.39	491.21
Other financial liabilities	37.64	417.84	418.16	98.40	140.08
Contract liabilities	1,125.48	938.03	1,102.76	984.57	833.97
Other current liabilities	224.85	193.04	279.37	189.05	224.89
Provisions	27.57	23.87	28.98	21.18	27.13
<b>Total current liabilities</b>	<b>2,566.77</b>	<b>2,537.57</b>	<b>3,019.49</b>	<b>2,549.03</b>	<b>2,288.00</b>
<b>Total liabilities</b>	<b>2,947.61</b>	<b>2,938.93</b>	<b>3,435.80</b>	<b>3,007.64</b>	<b>2,727.15</b>
<b>Total equity and liabilities</b>	<b>5,422.01</b>	<b>5,055.09</b>	<b>5,581.74</b>	<b>5,207.62</b>	<b>4,802.18</b>

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**
**Restated Consolidated Statement of Profit and Loss**
*(All amounts are in Indian Rupees in millions, unless otherwise stated)*

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Continuing operations</b>					
<b>Income</b>					
Revenue from operations	2,422.04	2,330.14	3,185.85	2,768.19	2,317.57
Other income	152.40	121.42	118.22	43.50	98.22
<b>Total income</b>	<b>2,574.44</b>	<b>2,451.56</b>	<b>3,304.07</b>	<b>2,811.69</b>	<b>2,415.79</b>
<b>Expenses</b>					
Employee benefits	1,107.71	998.23	1,348.81	1,076.08	893.71
Finance costs	36.88	25.90	36.86	42.81	35.46
Depreciation and amortisation expenses	220.35	190.86	265.06	231.62	186.62
Other expenses	675.26	731.58	1,019.70	867.18	661.44
<b>Total expenses</b>	<b>2,040.20</b>	<b>1,946.57</b>	<b>2,670.43</b>	<b>2,217.69</b>	<b>1,777.23</b>
<b>Profit before exceptional item and tax from continuing operations</b>	<b>534.24</b>	<b>504.99</b>	<b>633.64</b>	<b>594.00</b>	<b>638.56</b>
Less: Exceptional item	-	-	-	113.30	-
<b>Profit before tax for the period/ year from continuing operations</b>	<b>534.24</b>	<b>504.99</b>	<b>633.64</b>	<b>480.70</b>	<b>638.56</b>
<b>Income tax expense:</b>					
Current tax	147.76	149.99	234.63	174.18	176.31
Deferred tax charge/ (credit)	5.60	3.00	7.30	(23.22)	23.48
	<b>153.36</b>	<b>152.99</b>	<b>241.93</b>	<b>150.96</b>	<b>199.79</b>
<b>Profit after tax for the period/ year from continuing operations</b>	<b>380.88</b>	<b>352.00</b>	<b>391.71</b>	<b>329.74</b>	<b>438.77</b>
<b>Discontinued operations (Refer Note 37(i) and (ii))</b>					
Loss for the period/ year from discontinued operations	(62.07)	(51.92)	(57.01)	(88.24)	(46.59)
Tax credit from discontinued operations	12.13	10.32	10.96	20.39	12.22
<b>Loss after tax for the period/ year from discontinued operations</b>	<b>(49.94)</b>	<b>(41.60)</b>	<b>(46.05)</b>	<b>(67.85)</b>	<b>(34.37)</b>
<b>Profit after tax for the period/ year</b>	<b>330.94</b>	<b>310.40</b>	<b>345.66</b>	<b>261.89</b>	<b>404.40</b>
<b>Other comprehensive (loss)/ income</b>					
<b>Items that will not be reclassified subsequently to the statement of the profit and loss</b>					
Re-measurement of defined benefit (assets)/ liabilities	(5.95)	(12.90)	(16.69)	(11.82)	(2.62)
Fair value changes in equity instrument through other comprehensive income	2.07	(18.56)	(21.46)	(38.20)	(17.05)
Income tax relating to items that will not be reclassified subsequently to statement of profit and loss	1.22	6.77	8.00	7.37	6.81
<b>Total other comprehensive loss for the period/ year, net of income tax</b>	<b>(2.66)</b>	<b>(24.69)</b>	<b>(30.15)</b>	<b>(42.65)</b>	<b>(12.86)</b>
<b>Total comprehensive income for the period/ year</b>	<b>328.28</b>	<b>285.71</b>	<b>315.51</b>	<b>219.24</b>	<b>391.54</b>
<b>Earnings per share for continuing operations [Face value of Rs. 5 per share (31 December 2019: Rs. 5 per share; 31 March 2020: Rs. 5 per share; 31 March 2019: Rs. 5 per share; 31 March 2018: Rs. 5 per share)]</b>					
Basic	5.70	5.27	5.86	4.93	6.57
Diluted	5.64	5.22	5.81	4.90	6.51
<b>Earnings per share for discontinued operations [Face value of Rs. 5 per share (31 December 2019: Rs. 5 per share; 31 March 2020: Rs. 5 per share; 31 March 2019: Rs. 5 per share; 31 March 2018: Rs. 5 per share)]</b>					
Basic	(0.75)	(0.62)	(0.69)	(1.02)	(0.51)
Diluted	(0.75)	(0.62)	(0.69)	(1.02)	(0.51)
<b>Earnings per share for continuing and discontinued operations [Face value of Rs. 5 per share (31 December 2019: Rs. 5 per share; 31 March 2020: Rs. 5 per share; 31 March 2019: Rs. 5 per share; 31 March 2018: Rs. 5 per share)]</b>					
Basic	4.95	4.65	5.17	3.92	6.05
Diluted	4.90	4.61	5.13	3.89	6.00

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**
**Restated Consolidated Statement of Changes in Equity**
*(All amounts are in Indian Rupees in millions, unless otherwise stated)*
**A. Equity share capital**

Particulars	As at 31 December 2020		As at 31 December 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the period/ year	36,082	0.36	36,082	0.36	36,082	0.36	34,717	0.35	34,717	0.35
Shares issued under rights issue*	-	-	-	-	-	-	1,365	0.01	-	-
<b>Balance at the end of the reporting period/ year</b>	<b>36,082</b>	<b>0.36</b>	<b>36,082</b>	<b>0.36</b>	<b>36,082</b>	<b>0.36</b>	<b>36,082</b>	<b>0.36</b>	<b>34,717</b>	<b>0.35</b>

\* For the year ended 31 March 2019, the Company had issued 1,365 equity shares under rights issue for total consideration of Rs. 13,650 (absolute number).

**B. Other equity**

Particulars	Share application pending allotment	Reserves and Surplus						Items of Other Comprehensive Income (OCI)	Total attributable to owners of the company	Non-controlling interest ('NCI')***	Total
		Employee stock option reserve	Securities premium	Retained earnings	Debenture redemption reserve	Demerger deficit balance	Other equity *	Equity instrument through OCI **			
<b>Balance as at 1 April 2017</b>	-	60.98	566.80	672.14	1.16	-	369.85	-	1,670.93	20.13	1,691.06
Reversal of deferred tax on merger of Medybiz Services Private Limited ("MSPL")	-	-	-	(6.64)	-	-	-	-	(6.64)	-	(6.64)
Transition impact of Ind AS 116, net of tax	-	-	-	(21.04)	-	-	-	-	(21.04)	-	(21.04)
<b>Restated balance as at 1 April 2017</b>	-	60.98	566.80	644.46	1.16	-	369.85	-	1,643.25	20.13	1,663.38
Profit after tax for the year from continuing operations	-	-	-	438.77	-	-	-	-	438.77	-	438.77
Loss for the year from discontinued operations	-	-	-	(34.37)	-	-	-	-	(34.37)	-	(34.37)
Remeasurements of defined benefit liability/ (asset)	-	-	-	(1.37)	-	-	-	-	(1.37)	-	(1.37)
Other comprehensive income for the year	-	-	-	-	-	-	-	(11.15)	(11.15)	-	(11.15)
<b>Total comprehensive income for the year</b>	-	-	-	403.03	-	-	-	(11.15)	391.88	-	391.88
<b>Transactions with owners recorded directly in equity:</b>											
Receipt of share application money	0.01	-	-	-	-	-	-	-	0.01	-	0.01
Transfer to employee stock option plan ("ESOP") reserve	-	6.26	-	-	-	-	-	-	6.26	13.15	19.41
Transfer to debenture redemption reserve	-	-	-	(0.20)	0.20	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>0.01</b>	<b>67.24</b>	<b>566.80</b>	<b>1,047.29</b>	<b>1.36</b>	<b>-</b>	<b>369.85</b>	<b>(11.15)</b>	<b>2,041.40</b>	<b>33.28</b>	<b>2,074.68</b>
<b>Balance as at 1 April 2018</b>	<b>0.01</b>	<b>67.24</b>	<b>566.80</b>	<b>1,047.29</b>	<b>1.36</b>	<b>-</b>	<b>369.85</b>	<b>(11.15)</b>	<b>2,041.40</b>	<b>33.28</b>	<b>2,074.68</b>
Profit after tax for the year from continuing operations	-	-	-	329.74	-	-	-	-	329.73	-	329.73
Loss for the year from discontinued operations	-	-	-	(67.85)	-	-	-	-	(67.85)	-	(67.85)
Remeasurements of defined benefit liability/ (asset)	-	-	-	(8.66)	-	-	-	-	(8.66)	-	(8.66)
Other comprehensive income for the year	-	-	-	-	-	-	-	(34.27)	(34.27)	-	(34.27)
<b>Total comprehensive income for the year</b>	-	-	-	253.23	-	-	-	(34.27)	218.95	-	218.95
<b>Transactions with owners recorded directly in equity:</b>											
Issue of shares under right issue	(0.01)	-	-	-	-	-	-	-	(0.01)	-	(0.01)
Transfer to employee stock option plan ("ESOP") reserve	-	2.81	-	-	-	-	-	-	2.81	15.33	18.14
Cash settlement of vested Employee Stock Option	-	(15.40)	-	(69.70)	-	-	-	-	(85.10)	(27.04)	(112.14)
<b>Balance as at 31 March 2019</b>	<b>-</b>	<b>54.65</b>	<b>566.80</b>	<b>1,230.82</b>	<b>1.36</b>	<b>-</b>	<b>369.85</b>	<b>(45.42)</b>	<b>2,178.05</b>	<b>21.57</b>	<b>2,199.62</b>
<b>Balance as at 1 April 2019</b>	<b>-</b>	<b>54.65</b>	<b>566.80</b>	<b>1,230.82</b>	<b>1.36</b>	<b>-</b>	<b>369.85</b>	<b>(45.42)</b>	<b>2,178.05</b>	<b>21.57</b>	<b>2,199.62</b>
Profit after tax for the year from continuing operations	-	-	-	391.71	-	-	-	-	391.71	-	391.71
Loss after tax for the year from discontinued operations	-	-	-	(46.05)	-	-	-	-	(46.05)	-	(46.05)
Remeasurements of defined benefit liability/ (asset)	-	-	-	(12.96)	-	-	-	-	(12.96)	-	(12.96)
Other comprehensive income for the year	-	-	-	-	-	-	-	(17.66)	(17.66)	-	(17.66)
<b>Total comprehensive income for the year</b>	-	-	-	332.70	-	-	-	(17.66)	315.04	-	315.04
<b>Transactions with owners recorded directly in equity:</b>											
Distribution of net assets under common control transaction	-	-	-	-	-	(370.18)	-	-	(370.18)	-	(370.18)
Transfer to employee stock option plan ("ESOP") reserve	-	1.10	-	-	-	-	-	-	1.10	-	1.10
<b>Balance as at 31 March 2020</b>	<b>-</b>	<b>55.75</b>	<b>566.80</b>	<b>1,563.52</b>	<b>1.36</b>	<b>(370.18)</b>	<b>369.85</b>	<b>(63.08)</b>	<b>2,124.01</b>	<b>21.57</b>	<b>2,145.58</b>

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**
**Restated Consolidated Statement of Changes in Equity**
*(All amounts are in Indian Rupees in millions, unless otherwise stated)*

Particulars		Share application pending allotment	Reserves and Surplus						Items of Other Comprehensive Income (OCI)	Total attributable to owners of the company	Non-controlling interest ('NCI')***	Total
			Employee stock option reserve	Securities premium	Retained earnings	Debenture redemption reserve	Demerger deficit balance	Other equity *	Equity instrument through OCI **			
<b>Balance as at 1 April 2019</b>		-	54.65	566.80	1,230.82	1.36	-	369.85	(45.42)	2,178.05	21.57	2,199.62
Profit after tax for the period from continuing operations		-	-	-	352.00	-	-	-	-	352.00	-	352.00
Loss for the period from discontinued operations		-	-	-	(41.60)	-	-	-	-	(41.60)	-	(41.60)
Remeasurements of defined benefit liability/ (asset)		-	-	-	(10.10)	-	-	-	-	(10.10)	-	(10.10)
Other comprehensive income for the period		-	-	-	-	-	-	-	(15.04)	(15.04)	-	(15.04)
<b>Total comprehensive income for the period</b>		-	-	-	300.30	-	-	-	(15.04)	285.26	-	285.26
<b>Transactions with owners recorded directly in equity:</b>												
Transfer to employee stock option plan ("ESOP") reserve		-	1.10	-	-	-	-	-	-	1.10	-	1.10
Distribution of net assets under common control transaction		-	-	-	-	-	(370.18)	-	-	(370.18)	-	(370.18)
Cash settlement of vested Employee Stock Option		-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 December 2019</b>		-	55.75	566.80	1,531.12	1.36	(370.18)	369.85	(60.46)	2,094.23	21.57	2,115.80
<b>Balance as at 1 April 2020</b>		-	55.75	566.80	1,563.52	1.36	(370.18)	369.85	(63.08)	2,124.01	21.57	2,145.58
Profit after tax for the period from continuing operations		-	-	-	380.88	-	-	-	-	380.88	-	380.88
Loss for the period from discontinued operations		-	-	-	(49.94)	-	-	-	-	(49.94)	-	(49.94)
Remeasurements of defined benefit liability/ (asset)		-	-	-	(4.27)	-	-	-	-	(4.27)	-	(4.27)
Other comprehensive income for the period		-	-	-	-	-	-	-	1.79	1.79	-	1.79
<b>Total comprehensive income for the period</b>		-	-	-	326.67	-	-	-	1.79	328.46	-	328.46
<b>Balance as at 31 December 2020</b>		-	55.75	566.80	1,890.19	1.36	(370.18)	369.85	(61.29)	2,452.47	21.57	2,474.04



**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**
**Restated Consolidated Statement of Cash Flows**
*(All amounts are in Indian Rupees in millions, unless otherwise stated)*

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Cash flows from operating activities</b>					
Profit before tax for the year from continuing operations	534.24	504.99	633.64	480.70	638.56
Loss after tax for the period/ year from discontinued operations	(49.94)	(41.60)	(46.05)	(67.85)	(34.37)
<i>Adjustments:</i>					
Depreciation and amortisation expenses	220.28	198.56	275.60	248.08	185.70
Allowance for expected credit losses (net)	25.11	13.99	13.99	-	(7.67)
Bad debts written off	3.24	0.27	3.01	3.82	-
Provision for doubtful receivables	-	10.08	10.08	-	-
Provision for doubtful supplier advance	-	10.70	10.70	-	-
Employee stock option expense	-	1.10	1.10	18.14	19.40
Liabilities/Provision no longer payable written back	(3.89)	-	-	-	(4.74)
Finance costs	36.74	25.85	36.56	43.20	35.18
Profit on sale of investments in mutual funds	(10.73)	(24.79)	(16.37)	(12.35)	(19.98)
Interest income	(37.48)	(3.85)	(7.66)	(4.07)	(20.06)
Gain on transfer of property, plant and equipment	-	-	(4.92)	-	-
Net gain on financial assets measured at fair value through profit and loss	(53.93)	(74.54)	(49.82)	(22.45)	(37.00)
Dividend received	-	(2.89)	(3.17)	(3.11)	(14.88)
<b>Operating cash flows before working capital changes</b>	<b>663.64</b>	<b>617.87</b>	<b>856.69</b>	<b>684.11</b>	<b>740.14</b>
<b>Working capital movements:</b>					
(Decrease)/ Increase in trade payables	(25.17)	(309.34)	(274.87)	151.98	256.31
(Decrease)/ Increase in other liabilities	(419.68)	(53.14)	193.79	(145.62)	21.17
Increase/ (Decrease) in provisions	5.69	(4.44)	2.17	(0.20)	3.37
(Increase)/ Decrease in trade receivables and unbilled receivables	(157.23)	321.88	356.14	4.48	(310.75)
Decrease/ (Increase) in other assets	396.27	(183.10)	(564.11)	103.39	(86.36)
<b>Cash generated from operations</b>	<b>463.52</b>	<b>389.73</b>	<b>569.81</b>	<b>798.14</b>	<b>623.88</b>
Income taxes refund/ (paid), net	28.02	(217.63)	(383.27)	(447.90)	(221.79)
<b>Net cash flows generated from operating activities (A)</b>	<b>491.54</b>	<b>172.10</b>	<b>186.54</b>	<b>350.24</b>	<b>402.09</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment including capital advances	(51.41)	(69.89)	(131.54)	(136.53)	(118.96)
Payments for software development costs/ intangible assets	(17.10)	(72.87)	(73.94)	(73.81)	(74.69)
Sale of property, plant and equipment including intangible assets	-	16.37	2.81	-	-
Acquisition of business (Refer Note 38)	-	-	-	(111.44)	-
Purchase of non-current investments	(0.13)	-	0.01	(9.94)	(50.00)
Purchase of current investments	(120.26)	(599.51)	(515.91)	(221.60)	(174.08)
Proceeds from sale of current investments	376.43	690.39	721.83	260.01	-
Investment in fixed deposit accounts	(411.03)	(21.17)	(231.22)	23.53	(18.98)
Proceeds from maturity of fixed deposits	-	-	-	47.57	-
Dividend received	-	2.89	3.17	3.11	14.88
Interest received	12.40	1.30	2.57	8.27	1.15
<b>Net cash flows used in investing activities (B)</b>	<b>(211.10)</b>	<b>(52.49)</b>	<b>(222.22)</b>	<b>(210.83)</b>	<b>(420.68)</b>
<b>Cash flows from financing activities</b>					
Proceeds from issue of shares	-	-	-	0.01	-
Repayment of lease liabilities (Refer Note 5(b)A)	(82.21)	(85.30)	(115.49)	(99.23)	(68.14)
Finance costs paid	(11.06)	(0.08)	(2.04)	(1.24)	(0.36)
<b>Net cash flows used in financing activities (C)</b>	<b>(93.27)</b>	<b>(85.38)</b>	<b>(117.53)</b>	<b>(100.46)</b>	<b>(68.50)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>187.17</b>	<b>34.23</b>	<b>(153.21)</b>	<b>38.95</b>	<b>(87.09)</b>
Cash and cash equivalents at the beginning of the period/ year	(54.55)	98.66	98.66	59.71	146.80
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>132.62</b>	<b>132.89</b>	<b>(54.55)</b>	<b>98.66</b>	<b>59.71</b>
<b>Notes to cash flow statement</b>					
<i>Component of cash and cash equivalents</i>					
Cash on hand	0.24	0.39	0.30	0.16	0.31
Balances with banks in current accounts	107.53	157.50	139.65	98.50	59.40
Deposits with original maturity of less than three months	219.35	-	-	-	-
Bank overdraft (Refer Note 18 (a))	(194.50)	(25.00)	(194.50)	-	-
<b>Total cash and cash equivalents</b>	<b>132.62</b>	<b>132.89</b>	<b>(54.55)</b>	<b>98.66</b>	<b>59.71</b>

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)****Restated Consolidated Statement of Cash Flows***(All amounts are in Indian Rupees in millions, unless otherwise stated)*

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Reconciliation of financial liabilities forming part of financing activities in accordance with Ind AS 7:</b>					
<b>Non-cash movements in financing activities</b>					
<b>(a) Borrowings (Non-current and current):</b>					
Opening balance	719.28	524.61	524.61	524.45	524.31
Proceeds from borrowings	-	25.00	194.50	-	-
Non-cash items (Interest on financial liability)	0.15	0.13	0.17	0.16	0.14
<b>Closing balance</b>	<b>719.43</b>	<b>549.74</b>	<b>719.28</b>	<b>524.61</b>	<b>524.45</b>
<b>(b) Lease liabilities (Non-current and current):</b>					
Opening balance	427.49	457.48	457.48	443.48	376.98
Additions	-	2.54	51.99	72.23	99.96
Deletions	-	(3.71)	(3.71)	-	-
Interest expense for the year	25.53	27.86	37.22	41.00	34.68
Repayment of lease liabilities	(82.21)	(85.29)	(115.49)	(99.23)	(68.14)
<b>Closing balance</b>	<b>370.81</b>	<b>398.88</b>	<b>427.49</b>	<b>457.48</b>	<b>443.48</b>

## GENERAL INFORMATION

Our Company was incorporated on June 7, 2000 as a private limited company under the Companies Act, 1956, with the name “Net Logistics Private Limited”, pursuant to a certificate of incorporation granted by the RoC. Subsequently, the name of our Company was changed to “Medi Assist Healthcare Services Private Limited” with a fresh certificate of incorporation granted by the RoC on November 21, 2012. Pursuant to the conversion of our Company to a public limited company and as approved by our Shareholders pursuant to a special resolution dated February 27, 2018, the name of our Company was changed to “Medi Assist Healthcare Services Limited” and the RoC issued a fresh certificate of incorporation on March 20, 2018. For further details of changes in name of our Company, see “*History and Certain Corporate Matters – Amendments to our Memorandum of Association*” on page 155.

**Registration Number:** 027229

**Corporate Identity Number:** U74900KA2000PLC027229

### Registered and Corporate Office

Tower D, 4<sup>th</sup> floor  
IBC Knowledge Park  
4/1, Bannerghatta Road  
Bengaluru 560 029  
Karnataka, India  
**Tel:** (+91 80) 6919 0000

### Address of the Registrar of Companies

Our Company is registered with the RoC, located at the following address:

#### Registrar of Companies, Karnataka at Bengaluru

‘E’ Wing, 2<sup>nd</sup> Floor  
Kendriya Sadan  
Koramangala  
Bengaluru 560 034  
Karnataka, India

### Board of Directors

The following table sets out the details regarding our Board as on the date of filing of this Draft Red Herring Prospectus:

Name and Designation	DIN	Address
<b>Dr. Vikram Jit Singh Chhatwal</b> <i>Designation:</i> Chairman and Whole-time Director	01606329	Number 01B, First Floor, Sky Gardens, 12/1 Rhenius Street, Richmond Town, Bengaluru 560 025, Karnataka, India
<b>Satish V.N. Gidugu</b> <i>Designation:</i> Whole-time Director and Chief Executive Officer	06643677	#401, Adarsh Palm Retreat, Devarabeesinahalli, Bengaluru 560 103, Karnataka, India
<b>Vishal Vijay Gupta</b> <i>Designation:</i> Non-Executive Nominee Director	01913013	Flat Number 15A, “D” Block, Binny Crescent Apartments, Nandidurga Road, Benson Town, Bengaluru 560 046, Karnataka, India
<b>Gaurav Sharma</b> <i>Designation:</i> Non-Executive Nominee Director	03311656	B9/ 1B, Second Floor, Vasant Vihar, New Delhi 110 057, Delhi, India
<b>Himani Kapadia</b> <i>Designation:</i> Independent Director	00761555	Laxmi Niwas, 37, Nepeansea Road, Mumbai 400 036, Maharashtra, India
<b>Gopalan Srinivasan</b> <i>Designation:</i> Independent Director	01876234	A-1, Director's Residence, National Insurance Academy, 25, Balewadi, Baner Road, NIA Post Office, Pune 411 045, Maharashtra, India
<b>Anil Chanana</b> <i>Designation:</i> Independent Director	00466197	Pent House-1, Tower-J, Central Park-1, Sector-42, Galleria DLF-IV, Gurugram 122 009, Haryana, India

Name and Designation	DIN	Address
<b>Dr. Ritu Niraj Anand</b> <i>Designation: Independent Director</i>	00363699	11, Brindaban, 65 Linking Road, Ram Krishan Mission Signal, Santacruz (West), Mumbai 400 054, Maharashtra, India
<b>Ananda Mukerji</b> <i>Designation: Independent Director</i>	00015304	S/O Bani Mukerji, H No. – 1901/2, A-Wing, Raheja Atlantis, Ganpat Rao Kadam Marg, Worli, Mumbai 400 018, Maharashtra, India

For brief profiles and further details in respect of our Directors, see “**Management**” on page 165.

### Chief Compliance Officer and Company Secretary

Megha Matoo is the Chief Compliance Officer and Company Secretary of our Company. Her contact details are as follows:

Tower D, 4<sup>th</sup> floor  
IBC Knowledge Park  
4/1, Bannerghatta Road  
Bengaluru 560 029  
Karnataka, India  
**Tel:** (+91 80) 6919 0000  
**E-mail:** investor.relations@mediassist.in

Investors may contact the Chief Compliance Officer and Company Secretary or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Offer related grievances, other than those of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid-cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

### Book Running Lead Managers

<p><b>Axis Capital Limited</b> 1<sup>st</sup> Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli Mumbai 400 025 Maharashtra, India <b>Tel:</b> (+ 91 22) 4325 2183 <b>E-mail:</b> mhsl@axiscap.in <b>Website:</b> www.axiscapital.co.in <b>Investor grievance E-mail:</b> complaints@axiscap.in <b>Contact person:</b> Ankit Bhatia <b>SEBI Registration No.:</b> INM000012029</p>	<p><b>Edelweiss Financial Services Limited</b> 6<sup>th</sup> Floor, Edelweiss House Off C.S.T. Road, Kalina Mumbai 400 098 Maharashtra, India <b>Tel:</b> (+ 91 22) 4009 4400 <b>E-mail:</b> mediassist.ipo@edelweissfin.com <b>Website:</b> www.edelweissfin.com <b>Investor grievance E-mail:</b> customerservice.mb@edelweissfin.com <b>Contact person:</b> Nitesh Bhanushali/ Abhay Singh <b>SEBI Registration No.:</b> INM0000010650</p>
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<b>IIFL Securities Limited</b> 10 <sup>th</sup> Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Maharashtra, India <b>Tel:</b> (+ 91 22) 4646 4600 <b>E-mail:</b> mediassist.ipo@iiflcap.com <b>Website:</b> www.iiflcap.com <b>Investor grievance E-mail:</b> ig.ib@iiflcap.com <b>Contact person:</b> Pinkesh Soni / Sachin Jagad <b>SEBI Registration No.:</b> INM000010940	<b>SBI Capital Markets Limited</b> 202, Maker Tower 'E' Cuffe Parade Mumbai 400 005 Maharashtra, India <b>Tel:</b> (+ 91 22) 2217 8300 <b>E-mail:</b> mhsl.ipo@sbicaps.com <b>Website:</b> www.sbicaps.com <b>Investor grievance E-mail:</b> investor.relations@sbicaps.com <b>Contact person:</b> Gaurav Mittal / Janardhan Wagle <b>SEBI Registration No.:</b> INM000003531
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### Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The responsibilities and co-ordination by the BRLMs for various activities in this Offer are as follows:

Sr. No.	Activity	Responsibility	Coordination
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/ management/ business plans/ legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing	BRLMs	Axis
2.	Drafting and approval of statutory advertisements	BRLMs	Axis
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	BRLMs	SBICAP
4.	Appointment of intermediaries viz., registrar, printers, advertising agency, syndicate, sponsor bank, bankers to the offer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	BRLMs	Edelweiss
5.	Preparation of road show marketing presentation and frequently asked questions	BRLMs	IIFL
6.	International Institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Institutional marketing strategy;</li> <li>• Finalizing the list and division of international investors for one-to-one meetings; and</li> <li>• Finalizing international road show and investor meeting schedule</li> </ul>	BRLMs	Axis
7.	Domestic Institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Institutional marketing strategy;</li> <li>• Finalizing the list and division of domestic investors for one-to-one meetings; and</li> <li>• Finalizing domestic road show and investor meeting schedule</li> </ul>	BRLMs	Edelweiss
8.	Retail marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Formulating marketing strategies, preparation of publicity budget;</li> <li>• Finalizing media, marketing and public relations strategy;</li> <li>• Finalizing centres for holding conferences for brokers, etc.;</li> <li>• Finalizing collection centres;</li> <li>• Arranging for selection of underwriters and underwriting agreement; and</li> <li>• Follow-up on distribution of publicity and offer material including form, Prospectus and deciding on the quantum of the offer material</li> </ul>	BRLMs	SBICAP
9.	Non-Institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Finalizing media, marketing and public relations strategy; and</li> <li>• Finalizing centres for holding conferences for brokers, etc.</li> </ul>	BRLMs	IIFL
10.	Managing the book and finalization of pricing in consultation with the Company and the Selling Shareholders.	BRLMs	Axis

<b>Sr. No.</b>	<b>Activity</b>	<b>Responsibility</b>	<b>Coordination</b>
11.	Coordination with Stock-Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor co-ordination and intimation of anchor allocation.	BRLMs	Edelweiss
12.	Post- Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising our Company about the closure of the Offer, based on correct figures, finalization of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post- Offer activity such as Registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable and submission of all post Offer reports including the final post Offer report to SEBI.	BRLMs	IIFL

### **Syndicate Members**

[•]

### **Legal Counsel to the Company, Promoter Selling Shareholders and Investor Selling Shareholders as to Indian Law**

#### **Shardul Amarchand Mangaldas & Co**

Amarchand Towers  
216, Okhla Industrial Estate Phase III  
New Delhi 110 020  
India  
**Tel:** (+91 11) 4159 0700

### **Legal Counsel to the BRLMs as to Indian Law**

#### **Khaitan & Co**

Embassy Quest  
3<sup>rd</sup> Floor  
45/1 Magrath Road  
Bengaluru 560 025  
Karnataka, India  
**Tel:** (+91 80) 4339 7000

### **Special Legal Counsel to the BRLMs as to US Federal Securities Laws**

#### **Sidley Austin LLP**

Level 31  
Six Battery Road  
Singapore 049 909  
**Tel:** (+65) 6230 3900

### **Registrar to the Offer**

#### **Link Intime India Private Limited**

C-101, 1<sup>st</sup> Floor, 247 Park  
Lal Bhadur Shastri Marg  
Vikhroli (West)  
Mumbai 400 083  
Maharashtra, India  
**Tel:** (+91 22) 4918 6200  
**E-mail:** mahs.ipo@linkintime.co.in  
**Investor Grievance E-mail:** mahs.ipo@linkintime.co.in  
**Website:** www.linkintime.co.in  
**Contact Person:** Shanti Gopalkrishnan

**SEBI Registration No.:** INR000004058

**Escrow Bank**

[•]

**Public Offer Account Bank**

[•]

**Refund Bank**

[•]

**Sponsor Bank**

[•]

**Banker to our Company**

**RBL Bank Limited**

One Indiabulls Centre, Tower 2B, 6<sup>th</sup> Floor  
841, Senapati Bapat Marg, Lower Parel West  
Mumbai, 400013

**Tel:** +91 22 4302 0600

**E-mail:** Rahul.gulati@rblbank.com

**Designated Intermediaries**

**Self Certified Syndicate Banks**

The list of SCSBs, which offer ASBA related services, is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> on the website of SEBI, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which as ASBA Bidder, not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

**SCSBs eligible as issuer banks for UPI Mechanism and eligible mobile applications**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>, <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) and updated from time to time.

**Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time. The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges a <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and

[http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, as updated from time to time.

### **Broker Centres/ Designated CDP Locations/ Designated RTA Locations**

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders (other than Anchor Investors) can submit Bid cum Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and at the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. The list comprising the details of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

### **Statutory Auditors of our Company**

#### **B S R & Co. LLP, Chartered Accountants**

Embassy Golf Links Business Park  
Pebble Beach, B Block  
3<sup>rd</sup> floor, Off Intermediate Ring Road  
Bengaluru 560 071  
Karnataka, India  
**Tel:** (+91 80) 4682 3000  
**E-mail:** vikashgupta@bsraffiliates.com  
**Firm Registration Number:** 101248W/W-100022  
**Peer Review Number:** 011748

### **Changes in auditors**

There has been no change in the statutory auditors of the Company during the last three years.

### **Grading of the Offer**

As the Offer is an offer for sale of Equity Shares, no credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

### **Appraising Entity**

As the Offer is an offer for sale of Equity Shares, our Company will not receive any proceeds from the Offer. Accordingly, no appraising entity has been appointed for the Offer.

### **Credit Rating**

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

### **Trustees**

As the Offer is an offer for sale of Equity Shares, the appointment of trustees is not required.

### **Monitoring Agency**

As the Offer is an offer for sale of Equity Shares, our Company is not required to appoint a monitoring agency for this Offer.

### **Expert**

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



Our Company has received written consent from the Statutory Auditors to include their name in this Draft Red Herring Prospectus as required under Section 26 of the Companies Act 2013 read with the SEBI ICDR Regulations and as an “expert” as defined under Section 2 (38) of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of (i) their examination report on our Restated Financial Statements dated May 8, 2021; and (ii) statement of special tax benefits dated May 8, 2021 and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. The term “experts” and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

### **Filing of the Offer Documents**

A copy of this Draft Red Herring Prospectus has been filed electronically with SEBI at [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in), in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “Easing of Operational Procedure – Division of Issues and Listing – CFD”, and has also been uploaded on the SEBI intermediary portal at <https://siportal.sebi.gov.in> as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act 2013 would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act 2013 would be filed with the RoC at its office (address of RoC mentioned below).

### **Registrar of Companies, Karnataka**

‘E’ Wing, 2<sup>nd</sup> Floor  
Kendriya Sadan  
Koramangala  
Bengaluru 560 034  
Karnataka, India

### **Book Building Process**

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and the Minimum Bid Lot will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, and advertised in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka where our Registered and Corporate Office is located) at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs after the Bid/ Offer Closing Date.

**All investors (other than Anchor Investors) can participate in this Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. In addition to this, the RIIs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism.**

**In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to revise or withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to Retail Individual Investors and the Anchor Investors, allocation in the Offer will be on a proportionate basis. For further details on method and process of Bidding, see “Offer Structure” and “Offer Procedure” on pages 322 and 325, respectively.**

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

Investors should note the Offer is also subject to obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

For further details on the method and procedure for Bidding, see “*Offer Structure*” and “*Offer Procedure*” on pages 322 and 325, respectively.

### **Underwriting Agreement**

After the Pricing Date but prior to the filing of the Prospectus with the RoC, our Company will enter into an underwriting agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

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

*This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.*

<b>Name, address, telephone and e-mail of the Underwriters</b>	<b>Indicative Number of Equity Shares to be Underwritten</b>	<b>Amount Underwritten (₹ in million)</b>
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and will be finalised after the pricing and actual allocation and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement.

## CAPITAL STRUCTURE

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

<i>(in ₹, except share data)</i>			
Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
<b>A) AUTHORIZED SHARE CAPITAL<sup>(1)</sup></b>			
	90,700,000 Equity Shares of face value of ₹ 5 each	453,500,000	-
<b>B) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER</b>			
	68,859,212 Equity Shares of face value of ₹ 5 each	344,296,060	[●]
<b>C) OFFER</b>			
	Offer for Sale of up to 28,028,168 Equity Shares aggregating up to ₹ [●] <sup>(2)</sup>	140,140,840	[●]
<b>D) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER</b>			
	68,859,212 Equity Shares of face value of ₹ 5 each	344,296,060	[●]
<b>E) SECURITIES PREMIUM ACCOUNT</b>			
	Prior to the Offer <i>(as on date of this Draft Red Herring Prospectus)</i>		222,877,779
	After the Offer		222,877,779

\* To be updated upon finalisation of the Offer Price.

<sup>(1)</sup> For details in relation to changes in the authorized share capital of our Company, see “**History and Certain Corporate Matters – Amendments to the Memorandum of Association**” on page 155.

<sup>(2)</sup> The Offer has been authorized by our Board pursuant to its resolution dated March 5, 2021. The Selling Shareholders have authorised their respective participation in the Offer for Sale. For details see “**Other Regulatory and Statutory Disclosures**” on page 305.

### Notes to Capital Structure

#### 1. Equity Share Capital History of our Company

The following table sets forth the history of the Equity Share capital of our Company.

Date of allotment	Name(s) of allottee(s)	No. of allottee (s)	Reason / nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
June 7, 2000	900 Equity Shares to Medybiz.Com Private Limited and 100 Equity Shares to Lakshmi Suryanarayanan	2	Initial subscription to the Memorandum of Association	1,000	10	10	Cash
December 12, 2002	Medibiz Private Limited	1	Further issue	9,000	10	10	Cash
July 6, 2011	Bessemer Health	1	Further issue	2,820	10	53,191.49	Cash
March 22, 2012	Bessemer Health	1	Further issue	693	10	57,720.06	Cash
July 2, 2012	30 Equity Shares to Rajan Mehra, 23 Equity Shares to Amit Kumar Patni, 23 Equity Shares to Arihant Patni, 15 Equity Shares to Vinay Sanghi jointly with Seena Sanghi, 15 Equity Shares to Project Automobiles (Bombay) Private Limited, 38 Equity Shares to Probir Rao, 30 Equity Shares to P. Shankar Rao jointly with P. Neena Rao, 30 Equity Shares to Pramod Ahuja jointly with Jyoti Ahuja, 8 Equity Shares to Jyoti Ahuja jointly with Pramod Ahuja, 8 Equity Shares to Ranjan Sanghi jointly with Jayashree Sanghi, 30 Equity	18	Further issue	462	10	66,603.00	Cash

Date of allotment	Name(s) of allottee(s)	No. of allottee (s)	Reason / nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
	Shares to Hemant Mandal, 23 Equity Shares to Rita Patni jointly with Jayavardhan Dhar Diwan, 23 Equity Shares to Odyssey India Advisory Private Limited, 8 Equity Shares to Rajiv Agarwal, 45 Equity Shares to Rakesh Jhunjhunwala, 23 Equity Shares to Vijay Jain jointly with Kajal Kapadia Jain, 45 Equity Shares to Sanjay Kalra jointly with Jyotika Kapoor and 45 Equity Shares to Vivek Pandit						
August 23, 2012	38 Equity Shares to Rahul Khanna, 30 Equity Shares to Keshav Sanghi jointly with Vinita Sanghi and 45 Equity Shares to Jaivardhan Sinha jointly with Sonia Deb	3	Further issue	113	10	66,603.00	Cash
April 26, 2013	Bessemer Health	1	Further issue	54	10	282,805.00	Cash
February 6, 2017	2 Equity Shares to Dr. Vikram Jit Singh Chhatwal and 14 Equity Shares to BICH-II	2	Preferential allotment	16	10	502,350.00	Cash
March 21, 2017	13 Equity Shares to Rajan Mehra, 10 Equity Shares to Amit Kumar Patni, 10 Equity Shares to Arihant Patni, 6 Equity Shares to Vinay Sanghi jointly with Seena Sanghi, 6 Equity Shares to Project Automobiles (Bombay) Private Limited, 17 Equity Shares to Probir Rao, 13 Equity Shares to P. Shankar Rao jointly with P. Neena Rao, 13 Equity Shares to Pramod Ahuja jointly with Jyoti Ahuja, 4 Equity Shares to Jyoti Ahuja jointly with Pramod Ahuja, 4 Equity Shares to Ranjan Sanghi jointly with Jayashree Sanghi, 13 Equity Shares to Hemant Mandal, 21 Equity Shares to Odyssey India Advisory Private Limited, 4 Equity Shares to Rajiv Agarwal, 20 Equity Shares to Rakesh Jhunjhunwala, 10 Equity Shares to Vijay Jain jointly with Kajal Kapadia Jain, 20 Equity Shares to Sanjay Kalra jointly with Jyotika Kapoor, 20 Equity Shares to Vivek Pandit, 17 Equity Shares to Rahul Khanna, 13 Equity Shares to Keshav Sanghi jointly with Vinita Sanghi, 20 Equity Shares to Jaivardhan Sinha jointly with Sonia Deb, 3 Equity Shares to Dr. Vikram Jit Singh Chhatwal and 13,339 Equity Shares to BICH-II	22	Rights issue	13,596	10	10	Cash

Date of allotment	Name(s) of allottee(s)	No. of allottee (s)	Reason / nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
March 21, 2017	Investcorp Private Equity Fund I	1	Conversion of 6,300 OCPS to Equity Shares	6,961	10	-(1)	Cash
March 24, 2017	1 Equity Share to Dr. Vikram Jit Singh Chhatwal and 1 Equity Share to BICH-II	2	Conversion of two Series A CCPS to Equity Shares	2	10	-(2)	Cash
April 4, 2018	Dr. Vikram Jit Singh Chhatwal	1	Rights issue	1,365	10	10	Cash
March 5, 2021	Medimatter Health	1	Conversion of 9,175 Series B CCPS to Equity Shares	1,099	10	-(3)	Cash
April 7, 2021	Pursuant to a resolution passed by the Shareholders in the EGM held on April 7, 2021, our Company has sub-divided its authorised share capital, such that 45,350,000 Equity Shares of ₹ 10 each aggregating to ₹ 453,500,000 were sub-divided and reclassified as 90,700,000 Equity Shares of ₹ 5 each aggregating to ₹ 453,500,000. Accordingly, 37,181 paid-up Equity Shares of face value of ₹ 10 each were split into 74,362 Equity Shares of face value of ₹ 5 each.						
April 9, 2021	42,550 Equity Shares to Rajan Mehra, 33,300 Equity Shares to Amit Kumar Patni, 33,300 Equity Shares to Arihant Patni, 20,350 Equity Shares to Vinay Sanghi jointly with Seena Sanghi, 20,350 Equity Shares to Project Automobiles (Bombay) Private Limited, 55,500 Equity Shares to Probir Rao, 42,550 Equity Shares to P. Shankar Rao jointly with P. Neena Rao, 42,550 Equity Shares to Pramod Ahuja jointly with Jyoti Ahuja, 12,950 Equity Shares to Jyoti Ahuja jointly with Pramod Ahuja, 12,950 Equity Shares to Ranjan Sanghi jointly with Jayashree Sanghi, 42,550 Equity Shares to Hemant Mandal, 68,450 Equity Shares to Odyssey India Advisory Private Limited, 12,950 Equity Shares to Rajiv Agarwal, 64,750 Equity Shares to Rakesh Jhunjhunwala, 33,300 Equity Shares to Vijay Jain jointly with Kajal Kapadia Jain, 64,750 Equity Shares to Sanjay Kalra jointly with Jyotika Kapoor, 64,750 Equity Shares to Vivek Pandit, 55,500 Equity Shares to Rahul Khanna, 42,550 Equity Shares to Keshav Sanghi jointly with Vinita Sanghi, 64,750 Equity Shares to Jaivardhan Sinha jointly with Sonia Deb, 2,536,350 Equity Shares to Dr. Vikram Jit Singh Chhatwal, 24,704,900 Equity Shares to Bessemer India Capital Holdings-II Limited, 6,598,950 Equity Shares to Bessemer	26	Bonus issue in the ratio of 925 Equity Shares for every 1 Equity Share held on the record date, i.e. April 7, 2021	68,784,850	5	N.A.	N.A.

Date of allotment	Name(s) of allottee(s)	No. of allottee (s)	Reason / nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
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Health Capital LLC, 14,894,350 Equity Shares to Investcorp Private Equity Fund I, 18,683,150 Equity Shares to Medimatter Health Management Private Limited and 536,500 Equity Shares to Medimatter Health jointly with Dr. Vikram Jit Singh Chhatwal

<sup>(1)</sup> Consideration was paid at the time of issuance of the OCPS at (i) ₹100,000 per OCPS for 4,000 OCPS allotted on October 8, 2013; and (ii) ₹100,000 per OCPS for 2,300 OCPS allotted on January 7, 2015

<sup>(2)</sup> Consideration was paid at the time of issuance of the Series A CCPS at ₹502,350 per Series A CCPS for 2 Series A CCPS allotted on February 6, 2017

<sup>(3)</sup> Consideration was paid at the time of issuance of redeemable preference shares at (i) ₹57,000 per redeemable preference share for 9,000 redeemable preference shares of ₹10 each allotted on June 29, 2011; and (ii) ₹57,142.86 per series B redeemable preference share for 175 redeemable preference shares of ₹10 each allotted on March 22, 2012. 9,175 redeemable preference shares were converted into Series B CCPS and subsequently into Equity Shares pursuant to resolutions of our Board dated March 4, 2021 and March 5, 2021, respectively

## 2. Preference Share capital

Our Company does not have any outstanding preference shares as on the date of the filing of this Draft Red Herring Prospectus.

## 3. Shares issued for consideration other than cash or bonus issue

Except as set out below, our Company has not issued any Equity Shares or preference shares for consideration other than cash or any bonus issues since its incorporation.

Date of allotment	Name(s) of allottee(s)	Reason of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Benefits accrued to our Company
April 9, 2021	42,550 Equity Shares to Rajan Mehra, 33,300 Equity Shares to Amit Kumar Patni, 33,300 Equity Shares to Arihant Patni, 20,350 Equity Shares to Vinay Sanghi jointly with Seena Sanghi, 20,350 Equity Shares to Project Automobiles (Bombay) Private Limited, 55,500 Equity Shares to Probir Rao, 42,550 Equity Shares to P. Shankar Rao jointly with P. Neena Rao, 42,550 Equity Shares to Pramod Ahuja jointly with Jyoti Ahuja, 12,950 Equity Shares to Jyoti Ahuja jointly with Pramod Ahuja, 12,950 Equity Shares to Ranjan Sanghi jointly with Jayashree Sanghi, 42,550 Equity Shares to Hemant Mandal, 68,450 Equity Shares to Odyssey India Advisory Private Limited, 12,950 Equity Shares to Rajiv Agarwal, 64,750 Equity Shares to Rakesh Jhunjhunwala, 33,300 Equity Shares to Vijay Jain jointly with Kajal Kapadia Jain, 64,750 Equity Shares to Sanjay Kalra jointly with Jyotika Kapoor; 64,750 Equity Shares to	Bonus issue in the ratio of 925 Equity Shares for every 1 Equity Share held on the record date, i.e. April 7, 2021	68,784,850	5	N.A.	N.A.

Date of allotment	Name(s) of allottee(s)	Reason of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Benefits accrued to our Company
	Vivek Pandit, 55,500 Equity Shares to Rahul Khanna, 42,550 Equity Shares to Keshav Sanghi jointly with Vinita Sanghi, 64,750 Equity Shares to Jaivardhan Sinha jointly with Sonia Deb, 2,536,350 Equity Shares to Dr. Vikram Jit Singh Chhatwal, 24,704,900 Equity Shares to Bessemer India Capital Holdings-II Limited, 6,598,950 Equity Shares to Bessemer Health Capital LLC, 14,894,350 Equity Shares to Investcorp Private Equity Fund I, 18,683,150 Equity Shares to Medimatter Health Management Private Limited and 536,500 Equity Shares to Medimatter Health jointly with Dr. Vikram Jit Singh Chhatwal					

#### 4. Shares issued out of revaluation reserves

Our Company has not issued any Equity Shares or preference shares out of revaluation reserves since its incorporation.

#### 5. Allotment of shares pursuant to schemes of arrangement

Our Company has not allotted any Equity Shares or preference shares pursuant to a scheme of amalgamation approved under Section 391 to 394 of the Companies Act 1956 or Sections 230 to 234 of the Companies Act 2013.

#### 6. Issue of Equity Shares under employee stock option schemes

As on the date of this Draft Red Herring Prospectus, our Company has not made any issuance of Equity Shares pursuant to the MAHS ESOP Scheme 2013.

#### 7. Issue of shares at a price lower than the Issue Price in the last one year

Except as disclosed below, our Company has not issued any Equity Shares or preference shares in the last one year immediately preceding the date of this Draft Red Herring Prospectus at a price which may be lower than the Offer Price:

Date of allotment	Name(s) of allottee(s)	Reason/ nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
March 5, 2021	Medimatter Health <sup>^</sup>	Conversion of 9,175 Series B CCPS to Equity Shares	1,099	10	-*	Cash
April 9, 2021	42,550 Equity Shares to Rajan Mehra, 33,300 Equity Shares to Amit Kumar Patni, 33,300 Equity Shares to Arihant Patni, 20,350 Equity Shares to Vinay Sanghi jointly with Seena Sanghi, 20,350 Equity Shares to Project	Bonus issue in the ratio of 925 Equity Shares for every 1 Equity Share held on the	68,784,850	5	N.A.	N.A.

Date of allotment	Name(s) of allottee(s)	Reason/ nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
	Automobiles (Bombay) Private Limited, 55,500 Equity Shares to Probir Rao, 42,550 Equity Shares to P. Shankar Rao jointly with P. Neena Rao, 42,550 Equity Shares to Pramod Ahuja jointly with Jyoti Ahuja, 12,950 Equity Shares to Jyoti Ahuja jointly with Pramod Ahuja, 12,950 Equity Shares to Ranjan Sanghi jointly with Jayashree Sanghi, 42,550 Equity Shares to Hemant Mandal, 68,450 Equity Shares to Odyssey India Advisory Private Limited, 12,950 Equity Shares to Rajiv Agarwal, 64,750 Equity Shares to Rakesh Jhunjhunwala, 33,300 Equity Shares to Vijay Jain jointly with Kajal Kapadia Jain, 64,750 Equity Shares to Sanjay Kalra jointly with Jyotika Kapoor; 64,750 Equity Shares to Vivek Pandit, 55,500 Equity Shares to Rahul Khanna, 42,550 Equity Shares to Keshav Sanghi jointly with Vinita Sanghi, 64,750 Equity Shares to Jaivardhan Sinha jointly with Sonia Deb, 2,536,350 Equity Shares to Dr. Vikram Jit Singh Chhatwal, 24,704,900 Equity Shares to Bessemer India Capital Holdings-II Limited, 6,598,950 Equity Shares to Bessemer Health Capital LLC, 14,894,350 Equity Shares to Investcorp Private Equity Fund I, 18,683,150 Equity Shares to Medimatter Health Management Private Limited and 536,500 Equity Shares to Medimatter Health jointly with Dr. Vikram Jit Singh Chhatwal	record date, i.e. April 7, 2021				

<sup>^</sup> One of our corporate Promoters

<sup>\*</sup> Consideration was paid at the time of issuance of redeemable preference shares at (i) ₹57,000 per redeemable preference share for 9,000 redeemable preference shares of ₹10 each allotted on June 29, 2011; and (ii) ₹57,142.86 per series B redeemable preference share for 175 redeemable preference shares of ₹10 each allotted on March 22, 2012. The 9,175 redeemable preference shares were converted into Series B CCPS and subsequently into Equity Shares pursuant to resolutions of our Board dated March 4, 2021 and March 5, 2021, respectively

## 8. History of the share capital held by our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters, Dr. Vikram Jit Singh Chhatwal, Medimatter Health and BICH – II together hold 46,511,128 Equity Shares, constituting 67.55% of the issued, subscribed and paid-up Equity Share capital of our Company.

The details regarding our Promoters' shareholding is set out below:



S. No.	Name of the Promoter	Pre-Offer		Post-Offer <sup>(1)</sup>	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
1.	Dr. Vikram Jit Singh Chhatwal	2,539,092	3.69	Nil	Nil
2.	Medimatter Health	19,240,428 <sup>(2)</sup>	27.94	6,771,836	9.83
3.	BICH-II	24,731,608	35.92	24,578,482	35.69
	<b>Total</b>	<b>46,511,128</b>	<b>67.55</b>	<b>31,350,318</b>	<b>45.53</b>

<sup>(1)</sup> Subject to finalisation of Basis of Allotment

<sup>(2)</sup> Including 537,080 Equity Shares jointly held with Dr. Vikram Jit Singh Chhatwal

**(a) Build-up of our Promoters' shareholding in our Company**

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth in the table below.

Date of allotment / Transfer	Nature of allotment / acquisition	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue / purchase price per Equity Share (₹)	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)
<b>Dr. Vikram Jit Singh Chhatwal<sup>(1)</sup></b>							
September 10, 2013	Transfer from Medimatter Health jointly with Dr. Vikram Jit Singh Chhatwal	664*	Cash	10	10	Negligible	Negligible
October 8, 2013	Transfer to Investcorp Private Equity Fund I	(664)	Cash	10	225,904	Negligible	Negligible
February 6, 2017	Preferential allotment	2	Cash	10	502,350	Negligible	Negligible
March 21, 2017	Rights issue	3	Cash	10	10	Negligible	Negligible
March 24, 2017	Conversion of Series A CCPS to Equity Shares	1	Cash	10	-*	Negligible	Negligible
April 4, 2018	Rights issue	1,365	Cash	10	10	Negligible	Negligible
April 7, 2021	Pursuant to a resolution passed by the Shareholders in the EGM held on April 7, 2021, our Company has sub-divided its authorised share capital, such that 45,350,000 Equity Shares of ₹ 10 each aggregating to ₹ 453,500,000 were sub-divided and reclassified as 90,700,000 Equity Shares of ₹ 5 each aggregating to ₹ 453,500,000. Accordingly, 1,371 paid-up Equity Shares of face value of ₹ 10 each held by Dr. Vikram Jit Singh Chhatwal were split into 2,742 Equity Shares of face value of ₹ 5 each.						
April 9, 2021	Bonus issue in the ratio of 925 Equity Shares for every 1 Equity Share held on the record date, i.e. April 7, 2021	2,536,350	N.A.	5	N.A.	3.68	3.68
<b>(A) Sub-Total</b>		<b>2,539,092</b>				<b>3.69</b>	<b>3.69</b>
<b>Medimatter Health<sup>(1)</sup></b>							

Date of allotment / Transfer	Nature of allotment / acquisition	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue / purchase price per Equity Share (₹)	Percentage of pre- Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)
December 20, 2010	Transfer from Medybiz Private Limited	1,000*	Cash	10	100	Negligible	Negligible
December 20, 2010	Transfer from V.R. Mohan jointly with Reliance Capital Limited	4,500	Cash	10	100	Negligible	Negligible
December 20, 2010	Transfer from Reliance Capital Limited	4,500	Cash	10	100	Negligible	Negligible
September 10, 2013	Transfer to Medimatter Health jointly with Dr. Vikram Jit Singh Chhatwal	(664)*	Cash	10	10	Negligible	Negligible
September 10, 2013	Transfer to Prashant Jhaveri	(36)*	Cash	10	10	Negligible	Negligible
September 10, 2013	Transfer to Manoj Balaji	(10)*	Cash	10	10	Negligible	Negligible
March 5, 2021	Conversion of 9,175 Series B CCPS to Equity Share	1,099	Cash	10	-*	Negligible	Negligible
April 7, 2021	Pursuant to a resolution passed by the Shareholders in the EGM held on April 7, 2021, our Company has sub-divided its authorised share capital, such that 45,350,000 Equity Shares of ₹ 10 each aggregating to ₹ 453,500,000 were sub-divided and reclassified as 90,700,000 Equity Shares of ₹ 5 each aggregating to ₹ 453,500,000. Accordingly, 10,389 paid-up Equity Shares of face value of ₹ 10 each held by Medimatter Health were split into 20,778 Equity Shares of face value of ₹ 5 each.						
April 9, 2021	Bonus issue in the ratio of 925 Equity Shares for every 1 Equity Share held on the record date, i.e. April 7, 2021	19,219,650**	N.A.	5	N.A.	27.91	27.91
<b>(B) Sub-Total</b>		<b>19,240,428**</b>				<b>27.94</b>	<b>27.94</b>
<b>BICH – II</b>							
February 6, 2017	Preferential allotment	14	Cash	10	502,350	Negligible	Negligible
March 21, 2017	Rights issue	13,339	Cash	10	10	0.04	0.04

Date of allotment / Transfer	Nature of allotment / acquisition	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue / purchase price per Equity Share (₹)	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)
March 24, 2017	Conversion of Series A CCPS to Equity Share	1	Cash	10	-*	Negligible	Negligible
April 7, 2021	Pursuant to a resolution passed by the Shareholders in the EGM held on April 7, 2021, our Company has sub-divided its authorised share capital, such that 45,350,000 Equity Shares of ₹ 10 each aggregating to ₹ 453,500,000 were sub-divided and reclassified as 90,700,000 Equity Shares of ₹ 5 each aggregating to ₹ 453,500,000. Accordingly, 13,354 paid-up Equity Shares of face value of ₹ 10 each held by BICH – II were split into 26,708 Equity Shares of face value of ₹ 5 each.						
April 9, 2021	Bonus issue in the ratio of 925 Equity Shares for every 1 Equity Share held on the record date, i.e. April 7, 2021	24,704,900	N.A.	5	N.A.	35.88	35.88
<b>(C) Sub-Total</b>		<b>24,731,608</b>				<b>35.92</b>	<b>35.92</b>
<b>Grand Total (A + B + C)</b>		<b>46,511,128</b>				<b>67.55</b>	<b>67.55</b>

<sup>(1)</sup> With respect to certain allotments to or transfers from Dr. Vikram Jit Singh Chhatwal and Medimatter Health, the demat debit or credit of the Equity Shares was made to or from the joint account of Dr. Vikram Jit Singh Chhatwal, as the first holder along with Medimatter Health. With effect from April 9, 2021, the first holder of such Equity Shares is Medimatter Health, jointly holding with Dr. Vikram Jit Singh Chhatwal.

\* Jointly held by Medimatter Health and Dr. Vikram Jit Singh Chhatwal.

\*\* 537,080 Equity Shares are jointly held by Medimatter Health and Dr. Vikram Jit Singh Chhatwal

**(b) Equity shareholding of our Promoter Group (other than our Promoters) and directors of our corporate Promoters**

Except for Dr. Vikram Jit Singh Chhatwal (our Chairman and Whole-time Director and director on the board of Medimatter Health) and Bessemer Health none of the members of the Promoter Group (other than our Promoters) or directors of our corporate Promoters hold any Equity Shares as of the date of this Draft Red Herring Prospectus.

**(c) Details of Promoter's contribution locked-in for three years**

Pursuant to Regulation 14(1) and Regulation 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters (assuming exercise of all vested options granted under the ESOP Scheme) shall be considered as minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("Promoters' Contribution").

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

Name of Promoter	Date of allotment / acquisition	Nature of the allotment	Face value Per Equity Share (₹)	Issue/ Acquisition price per Equity Share (₹)	No. of Equity Shares Locked-in <sup>(1)</sup>	Percentage of the pre-Offer paid-up capital on a fully diluted basis (%)	Percentage of the post Offer paid-up capital on a fully diluted basis (%)
BICH-II	April 9, 2021	Bonus issue in the ratio of 925 Equity Shares for every 1	10	N.A.	10,986,967	15.68	15.68

Name of Promoter	Date of allotment / acquisition	Nature of the allotment	Face value Per Equity Share (₹)	Issue/ Acquisition price per Equity Share (₹)	No. of Equity Shares Locked-in <sup>(1)</sup>	Percentage of the pre- Offer paid-up capital on a fully diluted basis (%)	Percentage of the post Offer paid-up capital on a fully diluted basis (%)
		Equity Share held on the record date, i.e. April 7, 2021					
Medimatter Health	April 9, 2021	Bonus issue in the ratio of 925 Equity Shares for every 1 Equity Share held on the record date, i.e. April 7, 2021	10	N.A.	3,027,117	4.32	4.32
<b>Total</b>					<b>14,014,084</b>	<b>20.00</b>	<b>20.00</b>

<sup>(1)</sup> All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares, as the case may be.

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as the Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

For details on the build – up of the Equity Share capital held by our Promoters, see “- *History of the share capital held by our Promoters - Build-up of our Promoters' shareholding in our Company*” on page 73.

The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

- (i) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash, and revaluation of assets or capitalisation of intangible assets; or (b) have resulted from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;
- (ii) The Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii) Our Company has not been formed by conversion of one or more partnership firms or a limited liability partnership firm; and
- (iv) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge with any creditor.

#### 9. *Other Lock-in requirements*

- (i) In addition to Promoters' Contribution locked in for three years as specified above, and pursuant to Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company will be locked in for a period of one year from the date of Allotment, except for (i) the Equity Shares which may be Allotted to the employees under the MAHS ESOP Scheme 2013 pursuant to exercise of options held by such employees (whether currently employees or not); (ii) the Equity Shares Allotted pursuant to the Offer; and (iii) equity shares held by a venture capital fund or alternative investment fund of category I or Category II or a foreign venture capital investor. However, such equity shares shall be locked-in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor. Accordingly, the Equity Shares held by Investcorp Private Equity Fund I are not required to be locked-in since it is a venture capital fund registered with SEBI;

- (ii) Pursuant to Regulation 22 of the SEBI ICDR Regulations, (a) the Equity Shares held by the Promoters, which are locked-in may be transferred to another promoter and among the members of the Promoter Group or to any new promoters of our Company, and (b) the Equity Shares held by persons other than the Promoters and locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations;
- (iii) Pursuant to Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters, which are locked-in for a period of three years from the date of Allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans;
- (iv) Pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans; and
- (v) Any Equity Shares allotted to Anchor Investors pursuant to the Offer under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

## 10. Our shareholding pattern

Set forth below is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of the 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 Equity Shares underlying Depository Receipts (VI)	Total No. Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	No. of Voting Rights held in each class of securities (IX)		No. of Equity Shares underlying convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital (XI)=(VII)+(X) as a % of (A+B+C2)	Number of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)	
								No. of Voting Rights (X)	Total as a % of total voting rights			No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)		
<b>Total</b>																	
(A)	Promoter & Promoter Group	4	53,117,212	-	-	53,117,212	77.14	53,117,212	77.14	-	77.14	-	-	-	-	-	53,117,212
(B)	Public	21	15,742,000	-	-	15,742,000	22.86	15,742,000	22.86	-	22.86	-	-	-	-	-	15,742,000
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(1)	Shares underlying Custodian/Depository Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Shares held by Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total (A)+(B)+(C)</b>		<b>25</b>	<b>68,859,212</b>	<b>-</b>	<b>-</b>	<b>68,859,212</b>	<b>100.00</b>	<b>68,859,212</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68,859,212</b>

*As adjusted for the sub-division and bonus issue of Equity Shares on April 7, 2021 and April 9, 2021, respectively*

11. The BRLMs and their respective associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

12. **Shareholding of our Directors and Key Managerial Personnel in our Company**

Except as stated below, none of our Directors or Key Managerial Personnel hold any Equity Shares in our Company:

S. No.	Name of the Shareholder	Pre-Offer	
		Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Dr. Vikram Jit Singh Chhatwal	2,539,092	3.69

Additionally, Satish V N Gidugu, the Whole time Director and Chief Executive Officer of our Company, currently holds 633,384 ESOP options, which are collectively convertible into 633,384 Equity Shares of our Company.

13. **Details of shareholding of the major Shareholders of our Company**

- (a) As on the date of this Draft Red Herring Prospectus, our Company has 25 Shareholders.
- (b) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as on date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer			
		Number of Equity Shares <sup>(1)</sup>	Percentage of equity share capital (%)	Number of Equity Shares on a fully diluted basis <sup>(1)</sup>	Percentage of equity share capital on a fully diluted basis (%)
1.	BICH - II	24,731,068	35.92	24,731,068	35.92
2.	Medimatter Health	19,240,428 <sup>(2)</sup>	27.94	19,240,428 <sup>(2)</sup>	27.94
3.	Investcorp Private Equity Fund I	14,910,452	21.65	14,910,452	21.65
4.	Bessemer Health	6,606,084	9.59	6,606,084	9.59
5.	Dr. Vikram Jit Singh Chhatwal	2,539,092	3.69	2,539,092	3.69
	<b>Total</b>	<b>68,027,664</b>	<b>98.79</b>	<b>68,027,664</b>	<b>98.79</b>

<sup>(1)</sup> As adjusted for the sub-division and bonus issue of Equity Shares on April 7, 2021 and April 9, 2021, respectively

<sup>(2)</sup> Including 537,080 Equity Shares jointly held with Dr. Vikram Jit Singh Chhatwal

- (c) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer			
		Number of Equity Shares <sup>(1)</sup>	Percentage of Equity Share capital (%)	Number of Equity Shares on a fully diluted basis <sup>(1)</sup>	Percentage of equity share capital on a fully diluted basis (%)
1.	BICH - II	24,731,068	35.92	24,731,068	35.92
2.	Medimatter Health	19,240,428 <sup>(2)</sup>	27.94	19,240,428 <sup>(2)</sup>	27.94
3.	Investcorp Private Equity Fund I	14,910,452	21.65	14,910,452	21.65
4.	Bessemer Health	6,606,084	9.59	6,606,084	9.59
5.	Dr. Vikram Jit Singh Chhatwal	2,539,092	3.69	2,539,092	3.69
	<b>Total</b>	<b>68,027,664</b>	<b>98.79</b>	<b>68,027,664</b>	<b>98.79</b>

<sup>(1)</sup> As adjusted for the sub-division and bonus issue of Equity Shares on April 7, 2021 and April 9, 2021, respectively

<sup>(2)</sup> Including 537,080 Equity Shares jointly held with Dr. Vikram Jit Singh Chhatwal

- (d) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer			
		Number of Equity Shares	Percentage of equity share capital (%)	Number of Equity Shares on a fully diluted basis	Percentage of equity share capital on a fully diluted basis (%)
1.	BICH - II	13,354	37.01	13,354	29.51
2.	Medimatter Health	9,290 <sup>(2)</sup>	25.72	18,465 <sup>(1)(2)</sup>	40.80
3.	Investcorp Private Equity Fund I	8,051	22.31	8,051	17.79
4.	Bessemer Health	3,567	9.89	3,567	7.88
5.	Dr. Vikram Jit Singh Chhatwal	1,371	3.80	1,371	3.03
	<b>Total</b>	<b>35,633</b>	<b>98.76</b>	<b>44,808</b>	<b>99.01</b>

<sup>(1)</sup> Including 9,175 redeemable preference shares which were converted into 9,175 Series B CCPS and subsequently into 1,099 Equity Shares pursuant to resolutions of our Board dated March 4, 2021 and March 5, 2021, respectively

<sup>(2)</sup> Including 290 Equity Shares jointly held with Dr. Vikram Jit Singh Chhatwal

- (e) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer			
		Number of Equity Shares	Percentage of Equity Share capital (%)	Number of Equity Shares on a fully diluted basis	Percentage of equity share capital on a fully diluted basis (%)
1.	BICH - II	13,354	37.01	13,354	29.51
2.	Medimatter Health	9,290 <sup>(2)</sup>	25.72	18,465 <sup>(1)(2)</sup>	40.80
3.	Investcorp Private Equity Fund I	8,051	22.31	8,051	17.79
4.	Bessemer Health	3,567	9.89	3,567	7.88
5.	Dr. Vikram Jit Singh Chhatwal	1,371	3.80	1,371	3.03
	<b>Total</b>	<b>35,633</b>	<b>98.76</b>	<b>44,808</b>	<b>99.01</b>

<sup>(1)</sup> Including 9,175 redeemable preference shares which were converted into 9,175 Series B CCPS and subsequently into 1,099 Equity Shares pursuant to resolutions of our Board dated March 4, 2021 and March 5, 2021, respectively

<sup>(2)</sup> Including 290 Equity Shares jointly held with Dr. Vikram Jit Singh Chhatwal

#### 14. Employee Stock Option Scheme

Pursuant to resolution of our Board of Directors and Shareholders' each dated September 24, 2013, our Company has instituted the Employee Stock Option Scheme 2013 ("MAHS ESOP Scheme 2013") which became effective from September 24, 2013 and continues to be in force as on the date of this Draft Red Herring Prospectus. The MAHS ESOP Scheme 2013 was amended pursuant to resolutions of our Board of Directors dated July 30, 2015, June 23, 2016, June 29, 2017, June 21, 2018, March 11, 2019, March 5, 2021 and April 9, 2021. Further, the Shareholders pursuant to their resolution dated March 15, 2021 have ratified the amendments made pursuant to the resolution passed by the Board of Directors on March 5, 2021. Further, pursuant to the corporate actions of sub-division of Equity Shares and issue of bonus shares by way of the resolutions of our Board and Shareholders, each dated April 7, 2021 and corresponding adjustments for such corporate actions to the options under the MAHS ESOP Scheme 2013, our Company may grant a maximum of 3,626,216 options, with each option convertible into one Equity Share of our Company.

MAHS ESOP Scheme 2013 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. As on the date of this Draft Red Herring Prospectus, under the MAHS ESOP Scheme 2013, 1,211,208 options have been granted and none of these options have been exercised.



The following table sets forth the particulars of the MAHS ESOP Scheme 2013, including options granted as on the date of this Draft Red Herring Prospectus.

Particulars	Details			
	Fiscal 2018	Fiscal 2019	Fiscal 2020	From April 1, 2020 until May 10, 2021
Total options outstanding as at the beginning of the period	739	739	654	654
Total options granted	-	29	-	-
Exercise price of options in ₹ (as on the date of grant options)	-	339,213	-	-
Options forfeited/ lapsed/ cancelled	-	114	-	-
Variation of terms of options on account of share-split and bonus issue*	-	-	-	1,210,554
Money realized by exercise of options in ₹			Nil	
Total number of options outstanding in force	739	654	654	1,211,208
Total options vested (excluding the options that have been exercised)	609	625	654	1,211,208
Options exercised (since implementation of the MAHS ESOP Scheme 2013)			Nil	
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)			1,211,208	
Employee wise details of options granted to**:				
(i) Key managerial personnel				
Satish VN Gidugu	-	15	-	-
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	-	-	-	-
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant			N.A.	
Diluted earnings per share (from continuing operation) pursuant to the issue of Equity Shares on exercise of options in accordance with the applicable accounting standard on 'Earnings Per Share'	6.51	4.90	5.81	5.64
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of our Company and on the earnings per share of our Company			N.A.	
Description of the pricing formula and the method and significant assumptions to estimate the fair value of options granted during the year, including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	Options have been valued based on fair value method as prescribed under Ind AS 102, Share based payments, using Black Scholes valuation option pricing model by using the fair value of the Company's shares on the grant date and assumptions. Weighted average assumptions across grants are: Risk free rate (8.07%), expected life (4.61 years), expected volatility (27.42%), expected dividends (nil), price of the underlying shares (₹377,024)			
Impact on the profits and on the earnings per share of the last three years if the accounting policies specified in the SEBI SBEB Regulations had been followed, in respect of options granted in the last three years			N.A,	

Particulars	Details			
	Fiscal 2018	Fiscal 2019	Fiscal 2020	From April 1, 2020 until May 10, 2021
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer			N.A.	
Intention to sell Equity Shares arising out of the MAHS ESOP Scheme 2013 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the MAHS ESOP Scheme 2013, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	No intention to sell within three months after the listing of Equity Shares			

\*Adjustment done on account of share split and bonus issue

\*\*Employees referred to herein does not include the 14 share options granted to an ex-employee of the Company during the term of his employment in terms of MAHS ESOP Scheme 2013

15. Further, except as disclosed in “- **Build-up of our Promoters’ shareholding in our Company**” above for sale and purchase of Equity Shares of our Company by our Promoters, none of our Promoters, members of the Promoter Group, directors of our corporate Promoters, our Directors or their relatives have sold or purchased any Equity Shares of our Company during the six months preceding the date of this Draft Red Herring Prospectus.
16. There have been no financing arrangements whereby our Promoter, members of the Promoter Group, the directors of our corporate Promoters, our Directors and their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
17. All the Equity Shares held by our Promoters are held in dematerialized form as on the date of this Draft Red Herring Prospectus.
18. Our Company, our Directors and the BRLMs have not entered into any buy-back or other arrangements for purchase of Equity Shares being offered through this Offer from any person.
19. No person connected with the Offer, including our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.
20. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued pursuant to the Offer shall be fully paid-up at the time of Allotment.
21. Except for outstanding options granted pursuant to the MAHS ESOP Scheme 2013, our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.
22. Except for issuance of Equity Shares pursuant to exercise of options granted under the MAHS ESOP Scheme 2013, there will be no further issuance of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
23. Except for the issuance of any Equity Shares pursuant to exercise of options vested and/ or granted under the MAHS ESOP Scheme 2013, our Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including issue of securities

convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or by issue of bonus or rights or further public issue of Equity Shares. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
25. The BRLMs and any person related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs (other than individuals, corporate bodies and family offices) sponsored by entities which are associate of the BRLMs.
26. Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing this Draft Red Herring Prospectus filed in relation to this Offer and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

## OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and for the Offer for Sale of up to 28,028,168 Equity Shares. For further details, see “*The Offer*” on page 51.

Our Company expects that listing of the Equity Shares will enhance our visibility and brand and provide liquidity to its existing Shareholders. Listing will also provide a public market for the Equity Shares in India. Our Company will not receive any proceeds from the Offer. All proceeds from the Offer will go to the Selling Shareholders, in proportion to the Equity Shares offered by them in the Offer for Sale.

### Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Collection Bank(s) and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than listing fees, which will be paid by our Company, all costs, fees and expenses with respect to the Offer (except for any interest payable by the Company and/ or any Selling Shareholder on refund of application money in relation to the Offer) will be reimbursed to our Company by Dr. Vikram Jit Singh Chhatwal, Medimatter Health, BICH-II and Bessemer Health (in proportion to their respective Offered Shares) upon listing of the Equity Shares, in accordance with the Cost Reimbursement Agreement. For details, please see “*History and Certain Corporate Matters – Other Material Agreements*” on page 160.

The estimated Offer expenses are as follows:

Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees payable to the BRLMs and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDP <sup>(1)(2)</sup>	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Fees to regulators, including Stock Exchanges	[●]	[●]	[●]
Others	[●]	[●]	[●]
(i) Listing fees, SEBI, BSE and NSE processing fees;			
(ii) Book building software fees;			
(iii) Other regulatory expenses;			
(iv) Fees payable to legal counsels; and			
(v) Miscellaneous.			
<b>Total estimated Offer expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.

(1) Selling commission payable to members of the Syndicate, SCSBs, RTAs and CDPs on the amounts received against the Equity Shares Allotted (i.e. product of the Equity Shares Allotted and the Offer Price) would be as follows:

Portion for Retail Individual Investors	[●]% (plus applicable goods and services tax)
Portion for Non-Institutional Investors	[●]% (plus applicable goods and services tax)

Further, bidding charges of ₹ [●] (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured by them. Selling commission payable to the Registered Brokers

on the portion for Retail Individual Investors and Non-Institutional Investors, which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ [●] per valid Bid cum Application Form (plus applicable goods and services tax).

- (2) Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes).

Processing fees for applications made by Retail Individual Investors using the UPI Mechanism would be as follows:

RTAs / CDPs/ Registered Brokers	₹ [●] per valid Bid cum Application Form (plus applicable taxes)
Sponsor Bank	₹ [●] per valid Bid cum Application Form (plus applicable taxes)  The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.

\* Based on valid Bid cum Application Forms

## BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 5 and the Offer Price is [●] times the face value at the Floor Price and [●] times the face value at the Cap Price.

Bidders should also refer to the sections titled “*Other Financial Information*”, “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, and “*Financial Statements*” on pages 261, 26, 131, 268 and 193, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- Well-positioned to capture favorable industry dynamics;
- Largest health benefits administrator in India;
- Scalable technology enabled ecosystem addressing the needs of all constituents of the health insurance ecosystem;
- Longstanding relationships with a majority of Indian insurance companies;
- Diversified base of corporates accounts with longstanding relationships
- Attractive contracts with a pan-India healthcare provider network; and
- Experienced management team and marquee shareholders.

For further details, see “*Risk Factors*” and “*Our Business - Strengths*” on pages 26 and 132, respectively.

### Quantitative Factors

Some of the information presented below relating to our Company is based on or derived from the on the Restated Financial Statements. For details, see “*Financial Statements*” on page 193.

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

#### 1. Basic and Diluted Earnings per Share (“EPS”) at face value of ₹ 5 each, as adjusted for change in capital:

##### A. From continuing and discontinued operations:

Year/Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2020	5.17	5.13	3
March 31, 2019	3.92	3.89	2
March 31, 2018	6.05	6.00	1
<b>Weighted Average</b>	<b>4.90</b>	<b>4.86</b>	
<b>Nine months ended December 31, 2020<sup>(1)</sup></b>	4.95	4.90	
<b>Nine months ended December 31, 2019<sup>(1)</sup></b>	4.65	4.61	

<sup>(1)</sup> Not annualised

##### B. From continuing operations:

Year/Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2020	5.86	5.81	3
March 31, 2019	4.93	4.90	2
March 31, 2018	6.57	6.51	1
<b>Weighted Average</b>	<b>5.67</b>	<b>5.63</b>	
<b>Nine months ended December 31, 2020<sup>(1)</sup></b>	5.70	5.64	
<b>Nine months ended December 31, 2019<sup>(1)</sup></b>	5.27	5.22	

<sup>(1)</sup> Not annualised

Notes:

- 1) The weighted average EPS is calculated as: the sum of Basic/diluted EPS multiplied by their weight of respective year, then divided by the sum of the weights. This does not include EPS for the nine-months ended December 31, 2020 and December 31, 2019
- 2) The numbers disclosed above are based on the restated consolidated financial information of our Company and Subsidiary, as adjusted for the bonus and sub-division of equity share capital subsequent to December 31, 2020
- 3) Basic and diluted earnings per equity share: Basic and diluted earnings per equity share has been presented in accordance with Ind AS 33 - Earnings per Share notified under the Companies (Indian Accounting Standards) Rules, 2015
- 4) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in "Restated Financial Statements".

## 2. Price/Earning ("P/E") ratio in relation to price band of ₹ [●] to ₹ [●] per Equity Share:

### A. From continuing and discontinued operations:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS for Fiscal 2020 on Restated Financial Statements	[●]	[●]
Based on diluted EPS for Fiscal 2020 on Restated Financial Statements	[●]	[●]

### B. From continuing operations:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS for Fiscal 2020 on Restated Financial Statements	[●]	[●]
Based on diluted EPS for Fiscal 2020 on Restated Financial Statements	[●]	[●]

### Industry Peer Group P/E ratio

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

## 3. Average Return on Net Worth ("RoNW")

### A. From continuing and discontinued operations:

Period/Year ended	RoNW (%)	Weight
March 31, 2020	16.11	3
March 31, 2019	11.90	2
March 31, 2018	19.49	1
<b>Weighted Average</b>	<b>15.27</b>	
<b>Nine months ended December 31, 2020<sup>(1)</sup></b>	<b>13.37</b>	
<b>Nine months ended December 31, 2019<sup>(1)</sup></b>	<b>14.67</b>	

<sup>(1)</sup> Not annualised

Notes:

RoNW is calculated as net profit after taxation from continuing and discontinuing operation of our Company and Subsidiary from restated consolidated statement of profit and loss divided by the Net Worth of our Company and Subsidiary at the end of the year /period. "Net worth" means aggregate of share capital, other equity and non-controlling interest.

### B. From continuing operations:

Period/Year ended	RoNW (%)	Weight
March 31, 2020	18.25	3
March 31, 2019	14.99	2
March 31, 2018	21.15	1
<b>Weighted Average</b>	<b>17.65</b>	
<b>Nine months ended December 31, 2020<sup>(1)</sup></b>	<b>15.39</b>	
<b>Nine months ended December 31, 2019<sup>(1)</sup></b>	<b>16.63</b>	

<sup>(1)</sup> Not annualised

Notes:

RoNW is calculated as net profit after taxation from continuing operations of our Company and Subsidiary from restated consolidated statement of profit and loss divided by the Net Worth of our Company and Subsidiary at the end of the year /period. "Net worth" means aggregate of share capital, other equity and non-controlling interest.

#### 4. Net Asset Value per Equity Share (Face Value of ₹ 5 each)

NAV	Consolidated (₹)
As on December 31, 2020	37.03
After the Offer	
- At the Floor Price	[●]
- At the Cap Price	[●]
At Offer Price	[●]

**Notes:**

- Net asset value per equity share represents total Net Worth as at the end of the fiscal year/ period, as restated, divided by the number of Equity Shares outstanding at the end of the year/ period after adjustment of issue of bonus shares and sub-division of Equity Shares subsequent to December 31, 2020.
- Total Net Worth represents the equity share capital, other equity and non-controlling interest.
- As the Offer consists only of an offer for sale by the Selling Shareholders, there will be no change in the NAV post completion of the Offer

#### 5. Comparison of accounting ratios with listed industry peers

There are no listed companies in India that engage in a business similar to that of our Company and our Subsidiary. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

#### 6. The Offer Price is [●] times of the Face Value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and Promoter Selling Shareholders in consultation with the BRLMs, on the basis of demand from investors for the Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "**Risk Factors**", "**Our Business**", "**Management's Discussion and Analysis of Financial Conditions and Results of Operations**" and "**Financial Statements**" on pages 26, 131, 268 and 193, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "**Risk Factors**" on page 26 and you may lose all or part of your investments.



## STATEMENT OF SPECIAL TAX BENEFITS

The Board of Directors  
Medi Assist Healthcare Services Limited (*formerly known as Medi Assist Healthcare Services Private Limited*)  
Tower “D”, 4th Floor, IBC Knowledge Park,  
4/1, Bannerghatta Road,  
Bangalore – 560 029

Date: 8 May 2021

**Subject: Statement of possible special tax benefits (“the Statement”) available to Medi Assist Healthcare Services Limited (*formerly known as Medi Assist Healthcare Services Private Limited*) (“the Company”), its shareholders and its material subsidiary prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the ICDR Regulations”)**

Dear Sirs,

This report is issued in accordance with the Engagement Letter dated 12 April 2021.

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us and the Company for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its material subsidiary, which is defined in Note 1 to Annexure I (“**Material Subsidiary**”), under direct and indirect taxes (together “**the Tax Laws**”), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on the Company, its shareholders and its Material Subsidiary fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiary to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its Material Subsidiary may face in the future and accordingly, the Company, its shareholders and its Material Subsidiary may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company, its shareholders and its Material Subsidiary and do not cover any general tax benefits available to them. We wish to highlight that the distinction between ‘general’ and ‘special’ tax benefits’ is not defined under the ICDR Regulations Accordingly, we have provided comments on those tax benefits, the availability of which is contingent to the fulfillment of certain conditions as per the applicable tax laws. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company comprising of an offer for sale of equity shares by certain shareholders (the “**Proposed Offer**”) particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on this Statement.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (the “**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

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

- i) the Company, its shareholders and its Material Subsidiary will continue to obtain these possible special tax benefits in future; or

- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/ would be met with.

The contents of enclosed Annexures are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiary.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Statement in the Draft Red Herring Prospectus, Red Herring Prospectus, and the Prospectus, and in any other material used in connection with the Proposed Offer. The Statement is not to be used, referred to or distributed for any other purpose without our prior written consent.

*for B S R & Co. LLP*

*Chartered Accountants*

ICAI Firm's Registration No: 101248W/W-100022

**Vikash Gupta**

*Partner*

Membership number: 064597

ICAI UDIN: 21064597AAAABF9220

Place: Bengaluru

Date: 8 May 2021

## ANNEXURE I

### LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No.	Details of tax laws
1	Income-tax Act, 1961 and Income-tax Rules, 1962
2	Central Goods and Service Tax Act, 2017
3	State Goods and Service Tax Act, 2017
4	Integrated Goods and Service Tax Act, 2017
5	Goods and Service Tax legislations as promulgated by various states

### LIST OF MATERIAL SUBSIDIARY CONSIDERED AS PART OF THE STATEMENT (NOTE 1)

1) Medi Assist Insurance TPA Private Limited

**Note 1:** Material subsidiary identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose turnover, profit before tax or net worth in the immediately preceding year (i.e. 31 March 2020) exceeds 10% of the consolidated turnover, consolidated profit before tax or consolidated net worth respectively, of the Group in the immediately preceding year.

## ANNEXURE II

### ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND MATERIAL SUBSIDIARY UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES (“TAX LAWS”) IN INDIA

Outlined below are the possible special tax benefits available to the Company, its shareholders, and Material Subsidiary under the Tax Laws. These possible special tax benefits are dependent on the Company, its shareholders and its Material Subsidiary fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders and its Material Subsidiary to derive the possible special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

#### UNDER THE TAX LAWS

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

**The Company avails the direct tax benefit under the Tax Laws identified *supra*. The same has been outlined as under:**

##### **i. Section 80M – Deduction in respect of Inter-Corporate Dividends**

A new Section 80M has been inserted by the Finance Act, 2020 w.e.f., 1 April 2020 (Assessment Year (hereinafter referred as “AY”) 2021-22) providing for deduction from Gross Total Income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its return of income as prescribed under Section 139(1) of the Act.

Where the company receives any such dividends during a Financial Year and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said Financial Year, it shall be entitled to the deduction under Section 80M of the Act.

- ii. As per Taxation laws (Amendment) Act, 2019, with effect from 1 April 2019 (AY 2020-21), a company has an option to opt for lower tax rate under the provisions of section 115BAA of the Act. The Company has to exercise the option before filing the return of income. The Company has assessed the impact and has exercised this option from Financial Year 2019-20 onwards. The option once exercised cannot be subsequently withdrawn for the same or any other Financial Year.

##### 2. *Special tax benefits available to Shareholders*

Apart from the tax benefits available to each class of shareholders as such, there are no special tax benefits available to the shareholders of the Company under the Tax Laws identified *supra*.

##### 3. *Special tax benefits available to the Material Subsidiary*

- i. As per Taxation laws (Amendment) Act, 2019, with effect from 1 April 2019 (AY 2020-21), a company has an option to opt for lower tax rate under the provisions of section 115BAA of the Act. The Material Subsidiary has to exercise the option before filing the return of income. The Material Subsidiary has assessed the impact and has exercised this option from Financial Year 2019-20 onwards. The option once exercised cannot be subsequently withdrawn for the same or any other Financial Year.

#### NOTES:

1. The above is as per the current Tax Laws.
2. The above Statement of possible special tax benefits 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 equity shares of the Company.

3. The above statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian Company.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement (“DTAA”), if any, between India and the country in which the non-resident has fiscal domicile.
5. 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.
6. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

*for Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)*

*Authorized Signatory*

Place: Bengaluru  
Date: 8 May 2021

## SECTION IV: ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

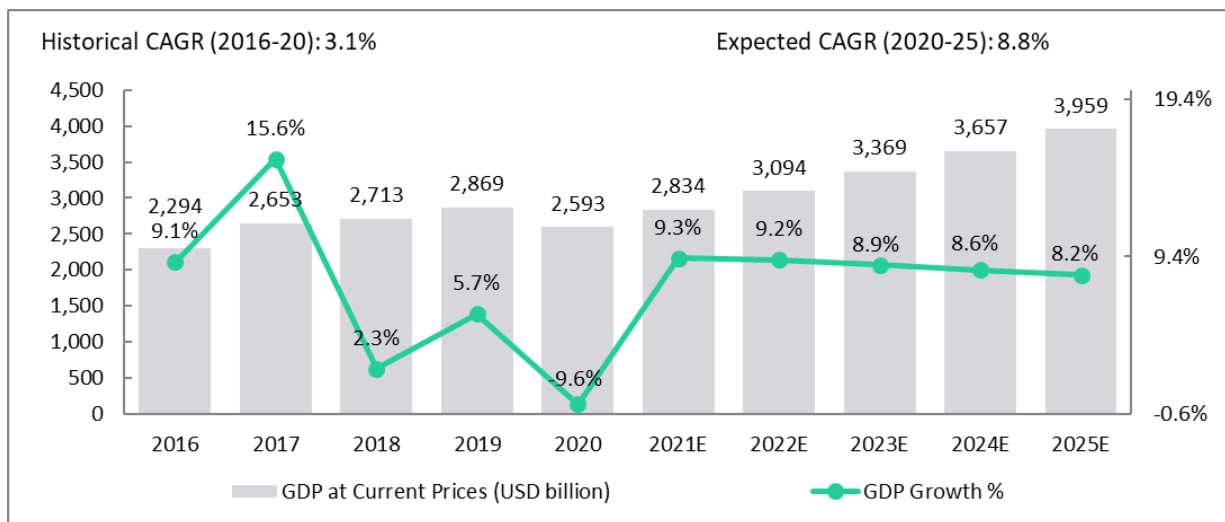
The information contained in this section, unless otherwise specified, is derived from a report titled “Indian Health Benefits Administration and Health Management Services Market Report” dated May 2021 prepared by Frost & Sullivan (India) Private Limited (the “F&S Report”), and commissioned and paid by our Company in connection with the Offer. Neither we, nor the BRLMs, nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. See “**Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data**” on page 16. In this section, unless the context means otherwise, the term “segment” is as specified in the F&S Report, profit after tax for us refers to our profit after tax from continuing operations and the term revenue for us refers to our “Total Income” for the relevant year.

#### Macroeconomic Overview

##### Introduction to the Indian Economy

India’s gross domestic product (“GDP”) is expected to reach USD 3,959 billion by 2025 and is set to become one of the top three strongest economic powers of the world over the next 10 to 15 years.

#### India’s GDP at current prices and GDP growth (2016-2025E)

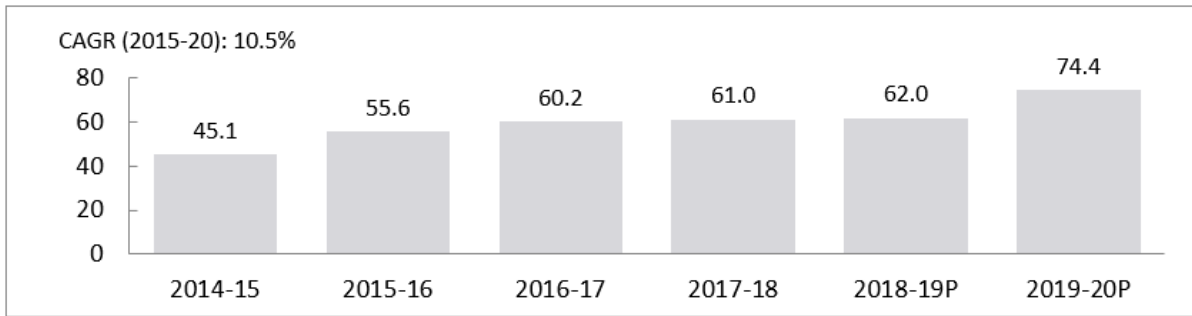


Source: International Monetary Fund (IMF) & World Bank Data

#### Current Economic Trends

India witnessed the highest inflow of equity over the last decade, in the form of foreign direct investments (“FDI”) aggregating to USD 74.4 billion in 2019-2020. Pursuant to the latest union budget, the FDI limit in insurance was increased to 74% from 49%. The increase in FDI limit will help in (i) further capital infusion in Indian insurance sector; (ii) increasing technology transfer from international parent organizations to Indian players thereby helping in efficient customer acquisition; and (iii) increasing the solvency position of insurers thereby leading to higher insurance penetration.

### FDI inflows to India in USD billion (2015-2020)



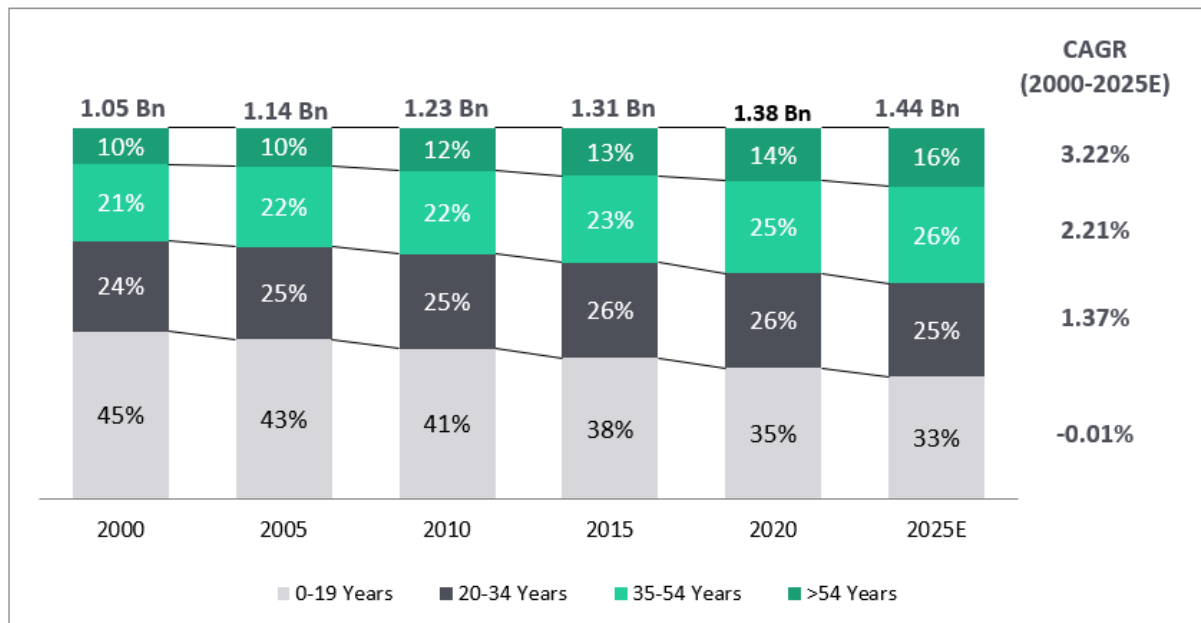
Source: Department of Industrial Policy & Promotion India

### Indian Demographic Overview

#### Population and its Trends

India's population was estimated to be 1.38 billion in 2020 and is expected to grow at a CAGR of 0.9% between 2020 and 2025 to reach 1.45 billion by 2025.

#### Age group-wise classification of population (2000-2025E)



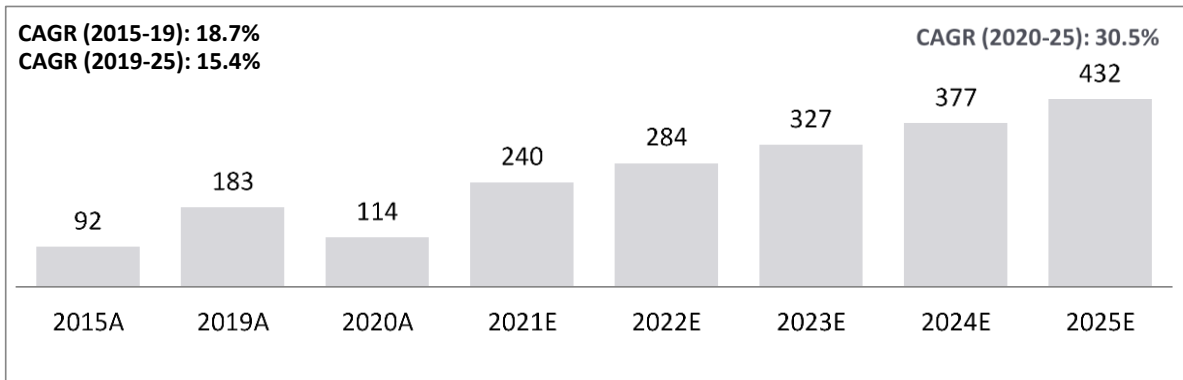
Source: United Nations Population Division, World Population Prospects (2019 Revision), Frost & Sullivan Analysis

### Overview of Indian Healthcare Market

#### Size and Structure of Healthcare Delivery System in India

The healthcare industry is expected to grow at a CAGR of 30.5% during 2020-2025, reaching USD 432 billion in 2025. Due to the COVID-19 pandemic, 2020 was an unusual year for the healthcare market in India. Between 2019 and 2025, the expected CAGR is 15.4%.

### Healthcare Market Size, India, USD Billion, 2015-2025E

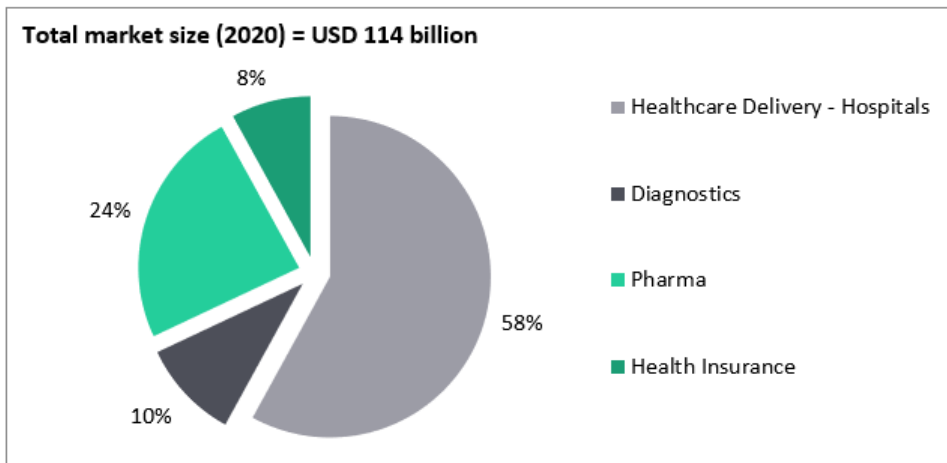


Note: The market size includes healthcare delivery, pharmaceuticals, diagnostics, insurance segments and excludes medical devices segment

Source: Frost & Sullivan analysis

Within healthcare delivery, hospitals are the largest contributing segment.

### Indian healthcare industry size by segment, 2020



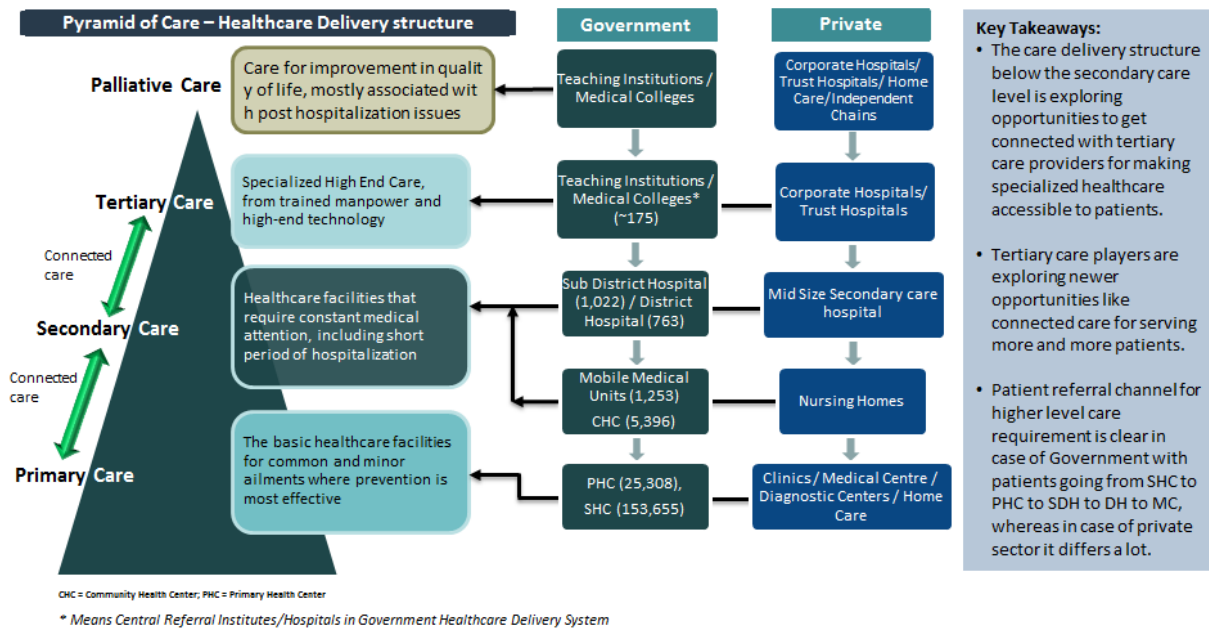
Source: Frost & Sullivan analysis

### Healthcare Infrastructure in India

The healthcare delivery system is divided into private and public sector. The hierarchy of the healthcare delivery system can be categorized into three levels based on level of care: primary, secondary and tertiary. The following table shows the structure of the healthcare delivery system in India:



## Healthcare delivery structure by level of care

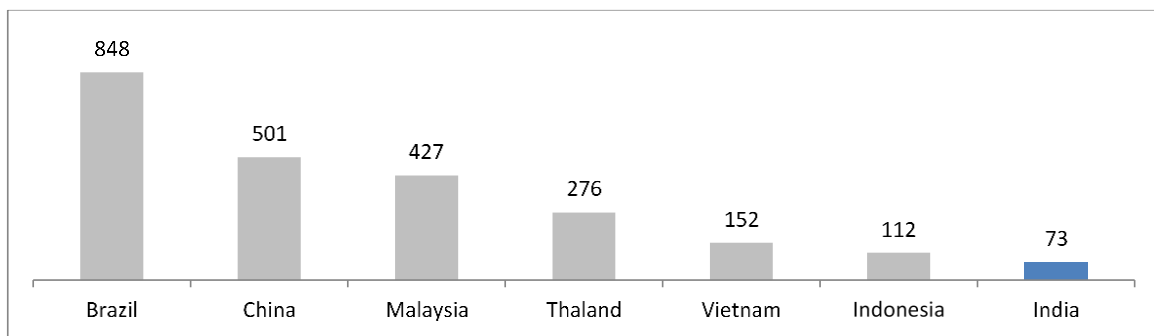


Source: Ministry of Health and Family Welfare (MoH&FW); Frost & Sullivan analysis

## Healthcare Industry Sections and Segments

Rising income levels, greater health awareness, increased occurrence of lifestyle diseases and improved access to insurance are key drivers contributing to the growth of healthcare market in India. Compared to other developing nations, India's per capita healthcare expenditure (USD 73 in 2018) is on the lower side, which is expected to gain momentum with increasing public and private health expenditure along with rising enrolment in healthcare insurance.

## Healthcare expenditure per capita, USD, 2018

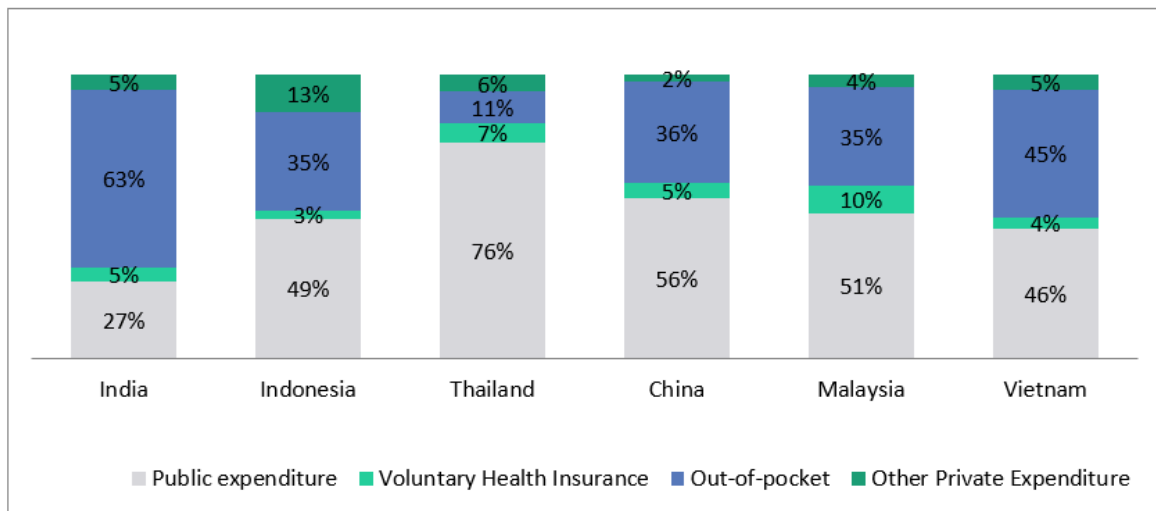


Source: World Health Organization Global Health Expenditure database, January 2021

## Public and private healthcare expenditure

The contribution of public expenditure towards healthcare in India largely remained in the range of approximately 20-27% from 2000 to 2018. This is significantly lower than other Asian countries such as China (approximately 56%), Thailand (76%) and Malaysia (51%). This reflects the dependency of healthcare finances on private means (household spend) and out-of-pocket expenditures.

### Breakdown of financing of current healthcare expenditure, countries, comparison, 2018

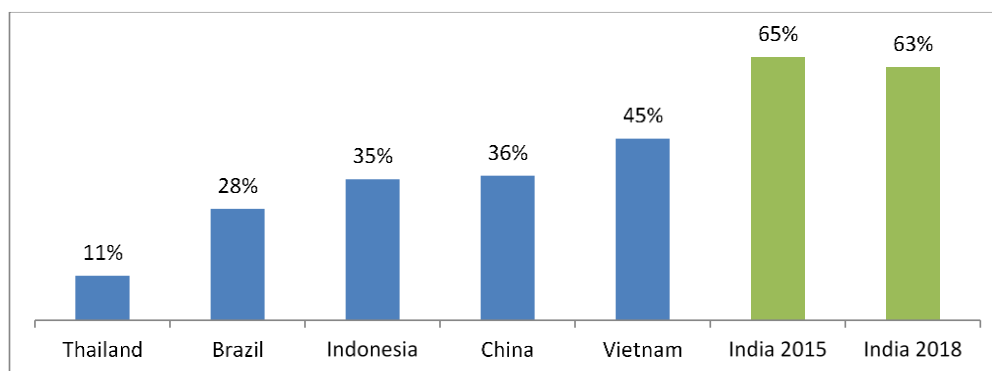


Source: World Health Organization Global Health Expenditure database, 2021

#### High out-of-pocket expenditure

The out-of-pocket healthcare expenditure as percentage of current healthcare expenditure in India reduced from 71.7% in 2000 to 62.7% in 2018. India's out-of-pocket healthcare expenditure as a percentage of current healthcare expenditure was the highest when compared to Asian countries such as China (approximately 36%), Indonesia (approximately 35%) and Thailand (approximately 11%). This reflects the dependency of healthcare finances on private means. Over the last four to five years, the out-of-pocket healthcare expenditure as a percentage of current healthcare expenditure has shown a decreasing trend and with increasing health insurance penetration, it is expected to reduce further over the next five years.

#### Out of pocket expenditure, Key countries, 2018



Source: WHO Global Health Expenditure Database

#### Challenges in the healthcare sector in India

**Low Spending on Healthcare:** As per the Global Health Expenditure data from 2018, India spends just 3.5% of GDP on healthcare, whereas China and the US spend 5.4% and 16.9% of GDP on healthcare, respectively.

**Urban vs. Rural Divide:** Majority of healthcare professionals in India are concentrated around urban areas, leaving rural areas under served.

**Poor Health Infrastructure:** In 2019, the physician density in India was estimated at 1.5 physicians per 1,000 people, which was lower than other South Asian countries like Singapore (2.5) and China (2.0).

**Low Spend on Preventive Care:** The current trend of low spending on preventive care and wellness programs is largely due to lack of awareness, traditional methods of care being delivered by untrained professionals as well as home remedies.

**Inefficient System of Diagnosis of Illness:** Timely and accurate diagnosis can prevent most lifestyle related diseases that result in high hospitalization costs.

**Burgeoning Lifestyle Diseases Segment:** The rise in population base belonging to middle and high income group has, among other factors, lead to a spurt in non-communicable or “lifestyle” diseases, which accounted for approximately 63% of all deaths in 2016, compared to 42% in 2001-2003. In addition, the communicable diseases such as tuberculosis remain high. Thus India has been marked as having a “dual-disease burden”.

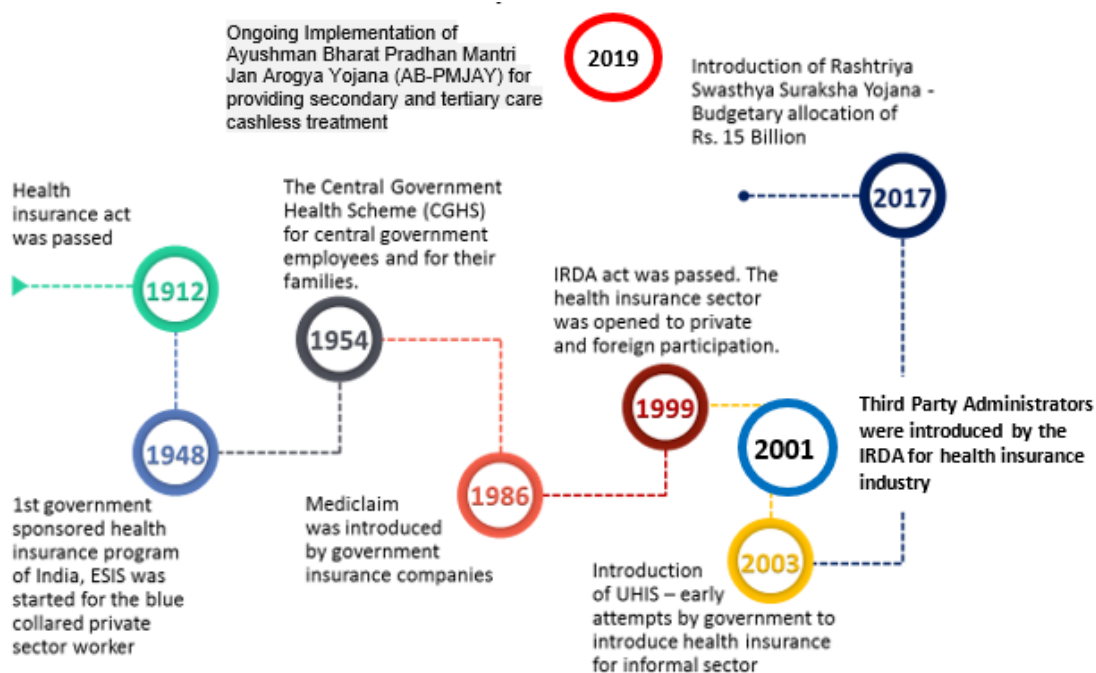
**Medical Cost Inflation:** The inflation in medical care cost is another cause of concern for India. A survey study was conducted in 107 countries by Aon Hewitt in 2021, which showed that the medical cost inflation in India is higher than the global average inflation rates and average inflation rates in Asia. While, a similar study by Willis Towers Watson has estimated the gross medical cost inflation for India at 12.0% and 10.0%, respectively in 2020 and 2021, in comparison to the global medical cost inflation at 5.9% and 8.1%, respectively in 2020 and 2021. The overall medical inflation in India grew at a CAGR of 9.3% between 2018 and 2020.

## Indian Health Insurance Industry

### Overview of Indian Health Insurance Industry

Health insurance works on the basic principle of pooling of risks arising from unexpected treatment costs due to people falling ill and being hospitalized by charging premium to a wider population base. Traditionally, the public healthcare system has been a major provider of healthcare coverage in India, through free or highly subsidized healthcare services. However, with the expanding population and budgetary shortfalls, the public healthcare system in India could not adequately service the burgeoning healthcare demands of the country. To address the supply challenges, the private sector in the country grew in both size and scope. With this, the health insurance industry grew in the country, albeit at a slower pace during the pre-liberalization (pre-1991) era. It gained traction post liberalization with a rise in the supply of healthcare facilities, availability of doctors and increased public awareness of healthcare issues. Industry growth accelerated further post 2000, when Insurance Regulatory and Development Authority of India (“**IRDAI**”) opened up the market to private insurance players.

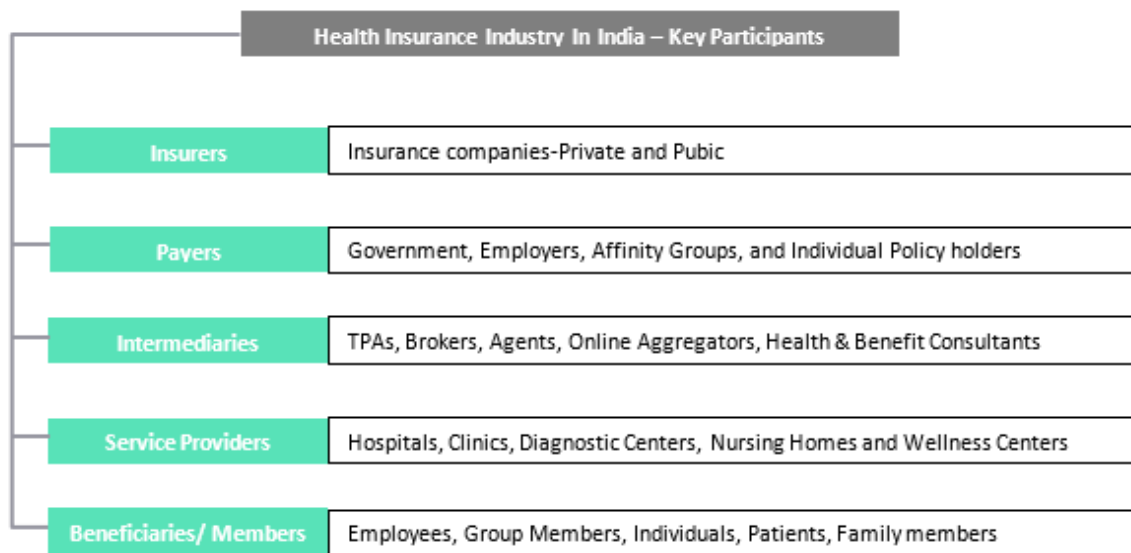
### History of Health Insurance in India



Source: Insurance Regulatory Development Authority of India (IRDAI)

## Key Stakeholders in Healthcare Insurance Industry

### Health insurance in India – key participants



### Categories of Health Insurance Policies / Schemes in India

Various health insurance policies available in India can be broadly classified either on the basis of payor or on the basis of policy coverage.

#### Types of insurance policies on the basis of payor

- **Public Health Schemes:** These are schemes operated by the central and state governments:
  - Rashtriya Swasthya Bima Yojana (“**RSBY**”): it was launched by the Ministry of Labour and Employment and it provides health insurance coverage for below poverty line (“**BPL**”) families. Beneficiaries under RSBY are entitled to hospitalization coverage of up to ₹ 30,000 annually.
  - Pradhan Mantri Jan Arogya Yojana (“**PM-JAY**”): it provides annual health cover of ₹ 0.5 million per family.
  - Employment State Insurance Scheme (“**ESIS**”): it is a state government operated social security system, aimed at extending insurance coverage to working population and their dependents.
  - Central Government Health Scheme (“**CGHS**”): it provides comprehensive healthcare coverage including access to facilities and resources for the central government employees, pensioners and their dependents residing in CGHS covered cities.
- **Group Health Benefit Policies:** A group health insurance plan provides healthcare coverage to a select group of people, especially in the private sector. It is usually offered by employers to their employees and their dependents. These plans usually cost less than retail insurance plans because of the risk being spread over the entire group rather than one person.
- **Retail Policies:** These are health insurance plans that a person purchases by himself or herself for covering self and/or family members. It is more customizable than a group policy, but costs higher.

#### Types of insurance policies on the basis of policy coverage

- **Hospitalization:** These are indemnity plans that reimburse the cost of hospitalization and medical costs associated with it, subject to the sum insured.
- **Family Floater Health Insurance:** Covers entire family in a single health insurance plan.

- **Pre-Existing Disease Cover Plan:** Offers insurance coverage against diseases that a policyholder had before buying the health policy such as diabetes and kidney failure.
- **Senior Citizen Health Insurance:** These plans are for older people in the family and it covers people up to age of 99 years.
- **Hospital Daily Cash Benefits Plans:** These are benefit policies that pay a defined sum of money for day to day hospitalization. Fixed payments ranging from ₹ 500 to ₹ 3,000 are made for a defined number of days.
- **Critical Illness Plans:** These are benefit policies that pay a fixed lump sum amount on diagnosis of covered critical illness and medical procedures to the individual or family.

### **Insurance Brokers**

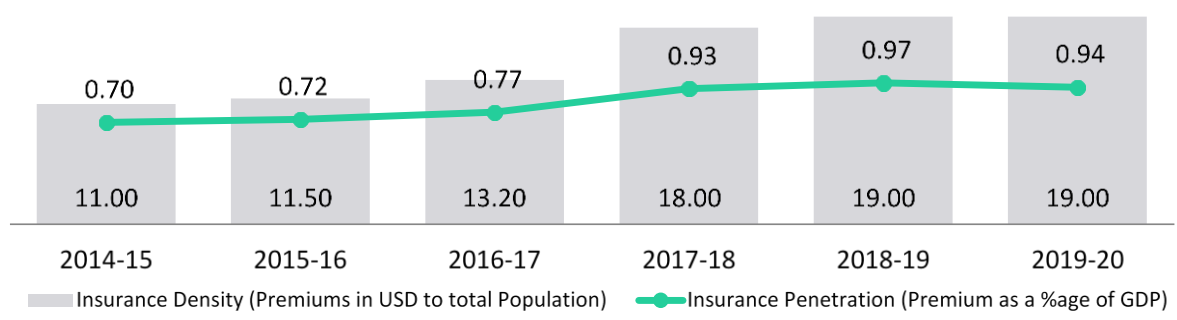
IRDAI allowed insurance brokers to operate in the Indian market since 2003 and the first broking certificate of registration (“CoR”) was issued on January 30, 2003 pursuant to the provisions of the IRDA (Insurance Brokers) Regulations, 2002. Out of all 589 registered brokers, 463 were valid brokers and 126 brokers were no longer in force, as on March 31, 2020. The valid brokers comprise of 397 direct brokers, 61 composite brokers and 5 reinsurance brokers. Brokers are an important channel for distribution of health insurance business and contribute towards 23% of total health insurance premium. The share of brokers was high, at 42% in group health insurance premium. Marsh India Insurance Brokers Private Limited, Anviti Insurance Brokers Private Limited, Willis Towers Watson India Insurance Brokers Private Limited, Prudent Insurance Brokers Private Limited, Howden Insurance Brokers India Private Limited, Global Insurance Brokers Private Limited are the key insurance brokers in India.

### **Key Statistics and Current Market Trends in the Indian Insurance Industry**

#### *Insurance penetration and insurance density in India*

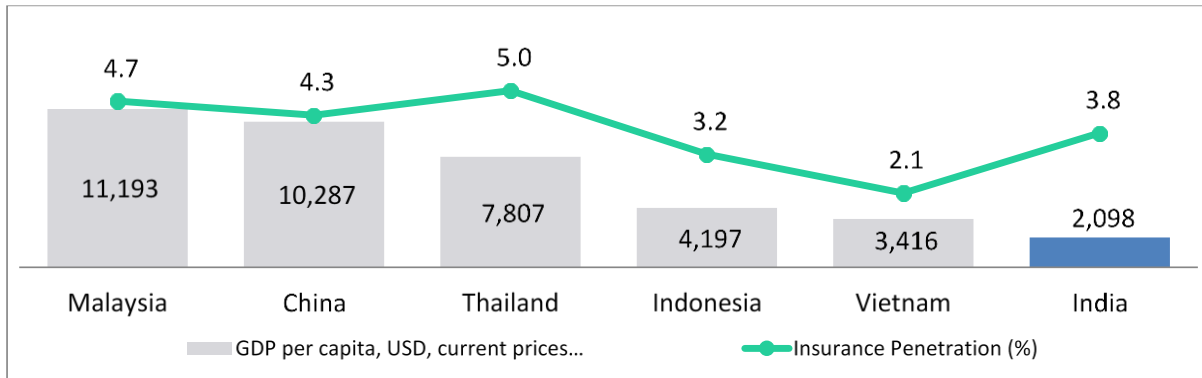
The measure of insurance penetration and density reflects the level of development of the insurance sector in a country.

#### **Insurance Penetration and Insurance Density, Non-Life segment, India**



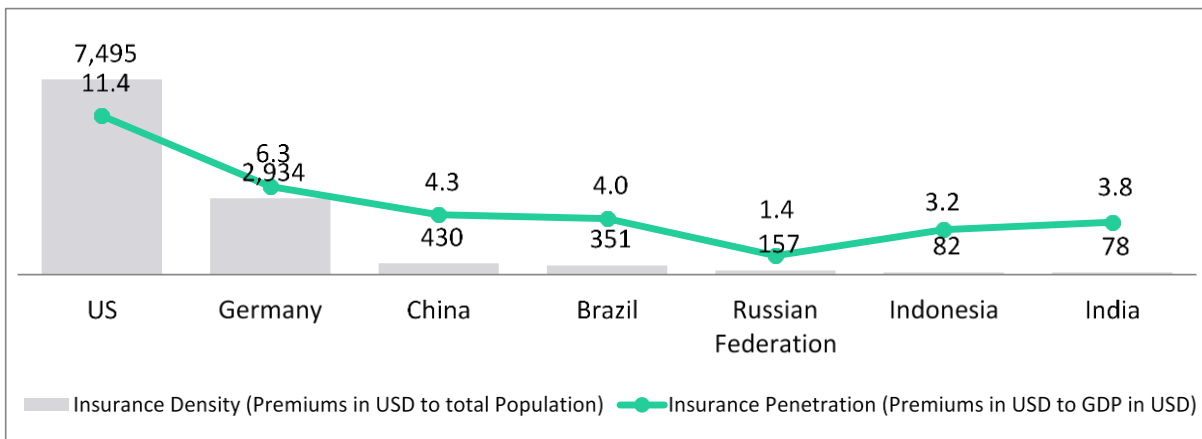
Source: IRDAI annual report; Swiss Re, Sigma

**GDP per capita vs. Insurance Penetration – Life and Non-Life segment, Countries Comparison, 2019**



Source: Frost & Sullivan analysis

**Insurance Penetration and Insurance density, Life and Non-Life segment, Countries Comparison, 2019-2020**

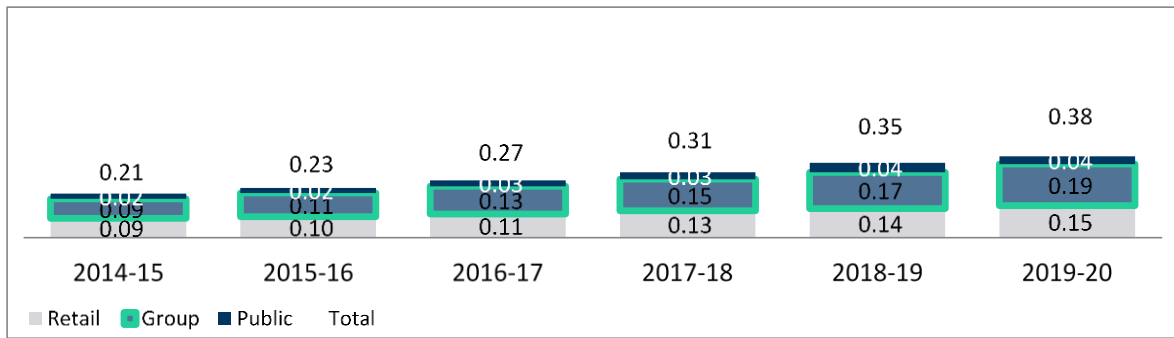


Source: Frost & Sullivan analysis

*Health insurance penetration in India*

Penetration of health insurance (lives covered as percentage of total population) in India grew from 22.2% in 2014-2015 to 36.5% in 2019-2020 and is expected to reach 55.0% by 2024-2025. During the same period, penetration of health insurance (traditionally considered as a total insurance premium as a percentage of GDP) grew from 0.21% to 0.38%. Retail and group (also known as corporate) segments have shown an accelerated growth in penetration of health insurance (total insurance premium as a percentage of GDP) from 0.09% each to 0.15% and 0.19%, respectively, over the period from 2014-2015 to 2019-2020. The demand in the market is driven by continued economic growth, expanding healthcare market, positive demographic trends, reforms and initiatives by governments, policies inviting foreign investment, increasing income levels and rising health awareness.

**Health insurance penetration, India, split by retail, group and public segments (%)**



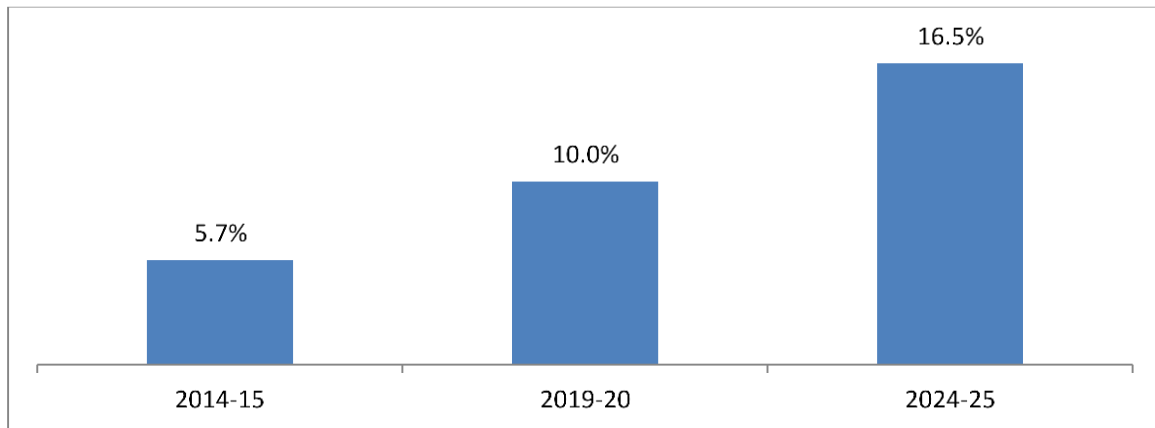
Note: The Health Insurance Premiums in INR as published by IRDAI has been converted to USD based on exchange rates as provided by IMF to derive the health insurance penetration rate

Source: Swiss Re, IRDAI annual report, Frost & Sullivan analysis

Only 10% of the population covered under health insurance policies (excluding public schemes)

Only 10% of the total population in India is covered by health insurance (excluding public schemes), which results in higher out-of-pocket expenditure for majority of the population. Due to increasing awareness after COVID-19 pandemic, it is expected that more people will likely subscribe for health insurance, as well as corporates having a higher employee health focus. Health insurance penetration is expected to reach 16.5% in 2024-2025.

**Health insurance penetration (excluding public schemes), India, 2015-2025**

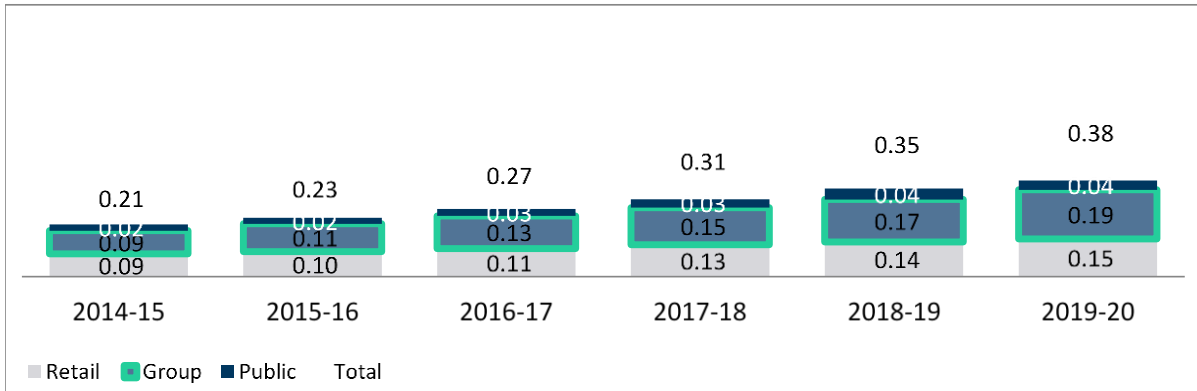


Source: IRDAI Annual Reports, Frost & Sullivan analysis

**Health insurance density in India**

An increase in investments in public health systems, and an increase in aging population with higher diagnosis of chronic diseases and age related health complications and degeneration especially in developing countries, including India, China, and Brazil has led to an increase in demand for health and medical insurance across emerging geographies.

### Health insurance density, India, split by retail, group and public segments, USD



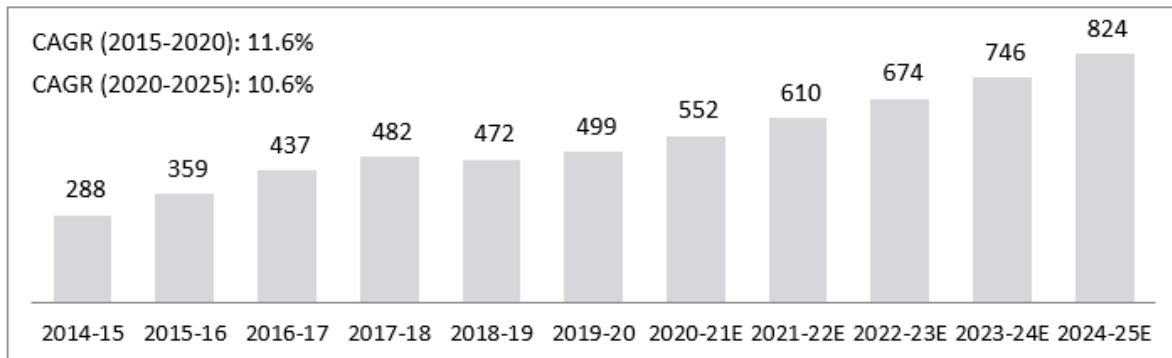
Note: The Health Insurance Premiums in ₹ as published by IRDAI has been converted to USD based on exchange rates as provided by IMF to derive the health insurance penetration rate

Source: Swiss Re, IRDAI annual report, Frost & Sullivan analysis

### Number of lives covered under health insurance

This is expected to increase the number of lives covered under health insurance at a CAGR of 10.6% over the period 2020-2025, reaching 824 million lives in 2024-2025. Over the next 5 years, retail policies are expected to see the highest growth rate, increasing at a CAGR of approximately 15% from 2020-2021 to 2024-2025. The major factors driving this growth will be the extension of retail distribution network to tier 2 and tier 3 cities along with increased penetration of web aggregators in selling retail health insurance policies. The group segment which has seen an accelerated growth over past decade is expected to see a lower growth rate, increasing at CAGR of approximately 10% from 2020-2021 to 2024-2025 as compared to a growth rate of approximately 14% from 2014-2015 to 2019-2020.

### Number of lives covered under health insurance in India (in million)

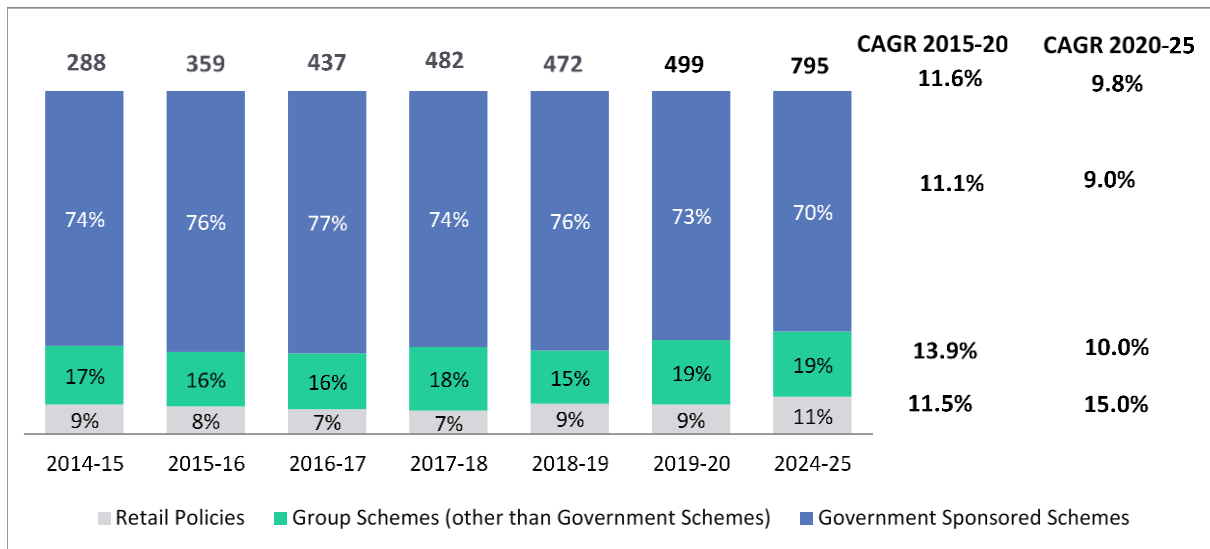


Source: IRDAI annual report, Frost & Sullivan analysis

The government schemes constituted 73% of total lives covered in 2019-2020, and have increased at a CAGR of 11.1% over the period from 2014-2015 to 2019-2020. This can be attributed to the revival of the public health insurance schemes with launch of Ayushman Bharat. Interestingly, due to these launches from the government, the growth of lives covered under the group schemes witnessed the fastest growth of 13.9% CAGR from 2014-2015 to 2019-2020.



### Number of lives covered (in percentage) by various health insurance businesses

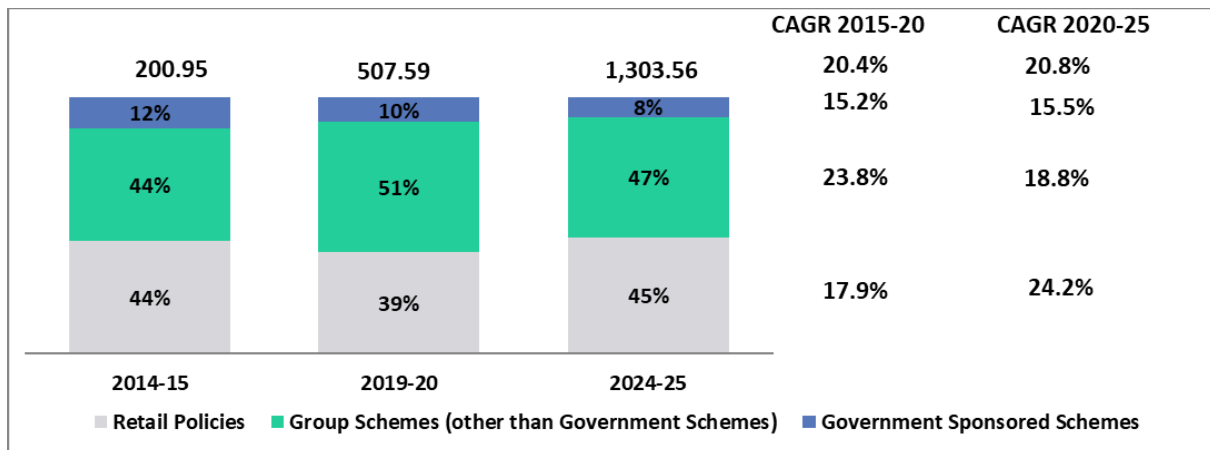


Note: The numbers at the top of each column show the total lives covered in respective years  
Source: IRDAI annual report

Health insurance premiums have seen a 20.8% CAGR with group policies growing the fastest

The premium serviced under health insurance in India stood at ₹ 507.59 billion in 2019-20, growing at a CAGR of 20.8% between 2019-20 and 2024-25, and is expected to reach ₹ 1,303.56 billion in 2024-25. The main driver for growth in health insurance premium has been increased uptake of group and retail policies which is in turn largely dependent on the increased awareness and acceptance of health insurance along with growing insurance launch by various states and central government.

### Premium serviced (in percentage) by Various Health Insurance Businesses, 2015-2025



Note: The values at top of each column show the total premium serviced under health insurance in respective year in INR Billion  
Source: IRDAI annual report

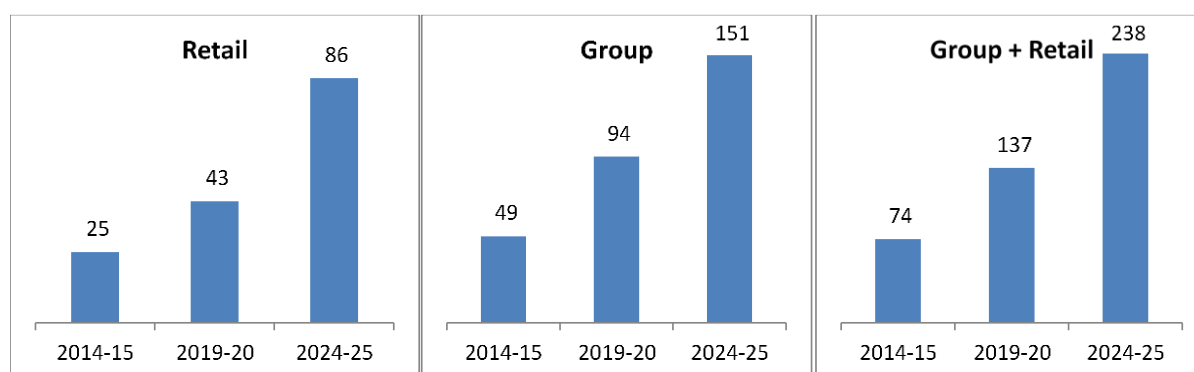
### Premium serviced (in percentage) by Various Health Insurance Businesses, 2015-2025, ₹ Billion

Type of Health Insurance Business	2014-15	2019-20	2024-25
Retail Policies	87.72	199.57	589.80
Group Schemes (other than Government Schemes)	88.98	258.81	612.44
Government Sponsored Schemes	24.25	49.21	101.32
Total Premiums	200.95	507.59	1,303.56

*Growth driven by higher insurance penetration and rising premiums*

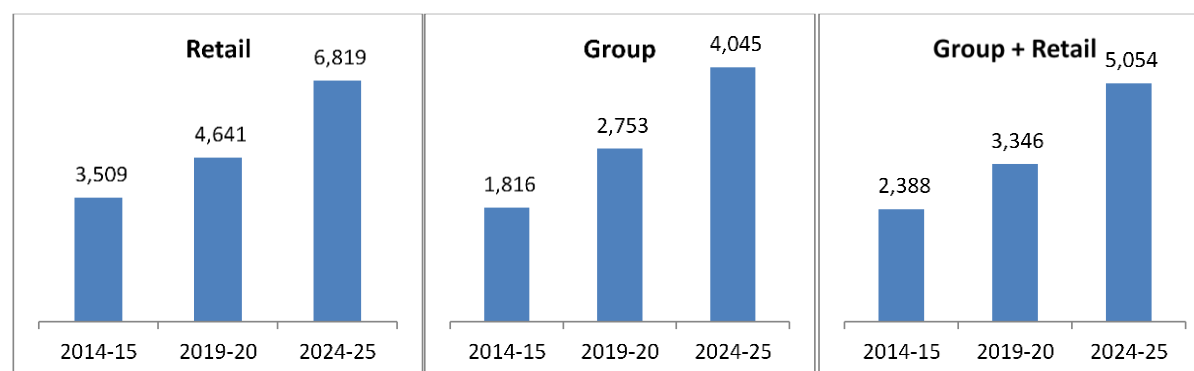
The COVID-19 pandemic has also brought about a large shift in the insurance preferences of Indian customers, especially individuals (i.e. retail). Tackling challenges thrown by the pandemic, corporates have taken up the responsibility of providing enhanced insurance coverage to their employees by subscribing to group insurance plans and giving added benefits covering COVID-19 testing and treatments. In addition to the growth in lives covered, premium per life is expected to increase at a CAGR of 8.6% over the next five years (from ₹ 3,346 in the financial year 2020 to ₹ 5,054 in the financial year 2025), driven by rising healthcare costs, increased benefits coverage offered by corporates and the need for insurance companies to reduce their claims ratio.

### Number of Lives Covered, Retail and Group Health Insurance Business, millions, 2015-25



Source: IRDAI Annual Reports, Frost & Sullivan analysis

### Premiums per Life, Retail and Group Health Insurance Business, ₹, 2015-25



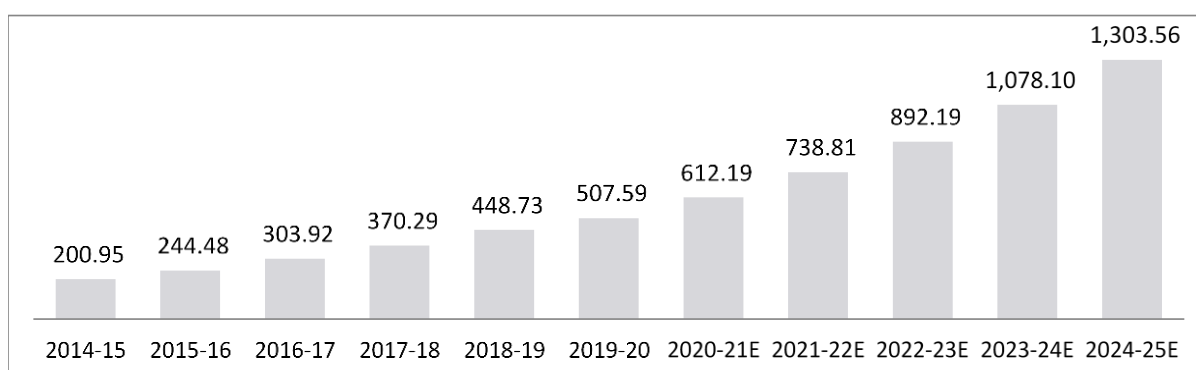
Source: IRDAI Annual Reports, Frost & Sullivan analysis

### Top insurance players by number of lives covered (in percentage) in various sub-segments

### Premium serviced under health insurance

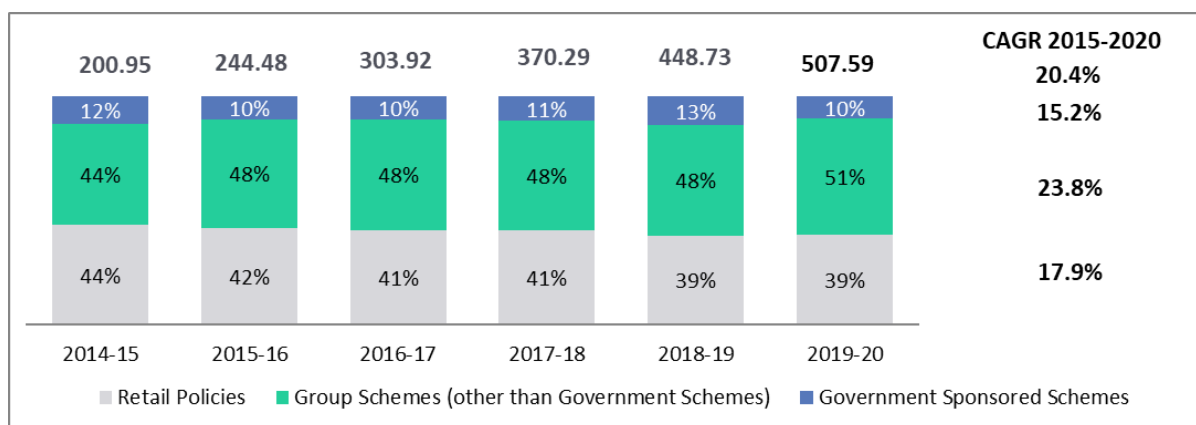
The premium serviced under health insurance in India stood at ₹ 507.59 billion in 2019-20, growing at a CAGR of 20.4% between 2014-15 and 2019-20. It is expected to grow at a CAGR of 20.8% over the period from 2019-20 to 2024-25 reaching ₹ 1,303.56 billion in 2024-25. The main driver for growth in health insurance premiums will be the increased uptake of group and retail policies, which are in turn largely dependent on the increased awareness and acceptance of health insurance, along with the growing number of insurance programmes launched by various state governments and the central government. Also, the insurance companies are expected to increase the premium per policy so as to cut their losses due to medical inflation in the range of 8-9%, which would have a positive impact on premium collected by insurers. The chart below shows the year-on-year growth of the premium serviced under health insurance in India.

**Premium serviced under health insurance in India (in ₹ billion)**



Source: IRDAI annual report, Frost & Sullivan analysis

**Premium serviced (in percentage) by various health insurance businesses**



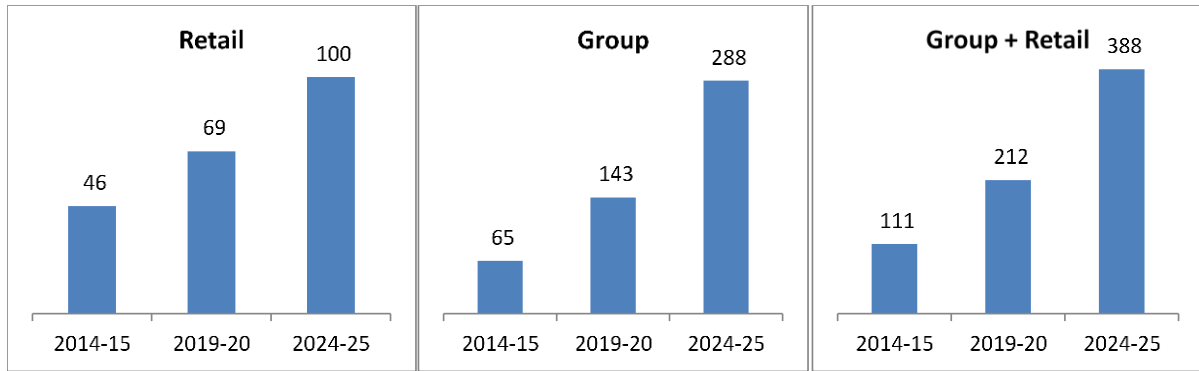
Source: IRDAI annual reports

### Dominance of public sector insurance companies will reduce over time

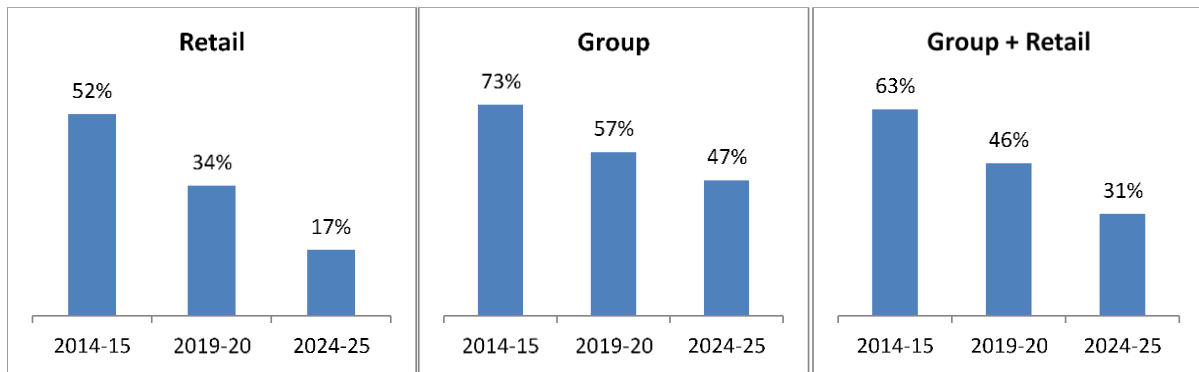
Growth in the retail segment is slow compared to the group sector, but the retail segment may witness an increase driven by a set of healthcare consumers who are not eligible for group insurance coverage but have increased awareness and need for additional/ supplementary benefits to top up their current coverage. This growth is evident in the total lives covered by the retail sector, which stands at 43 million, and the amount of premium per life at ₹ 4,641 in 2019-20. Also, the group segment is expected to see higher price sensitivity as compared to other segments.

The chart below showcases the larger share of GDPI public sector insurance in the group segment as compared to the retail segment. This can be attributed to larger PSUs offering group insurance coverage to their employees.

**Groups direct premium income (GDPI), Public sector Insurers, ₹ billion, split by Group and Retail, 2015-25**



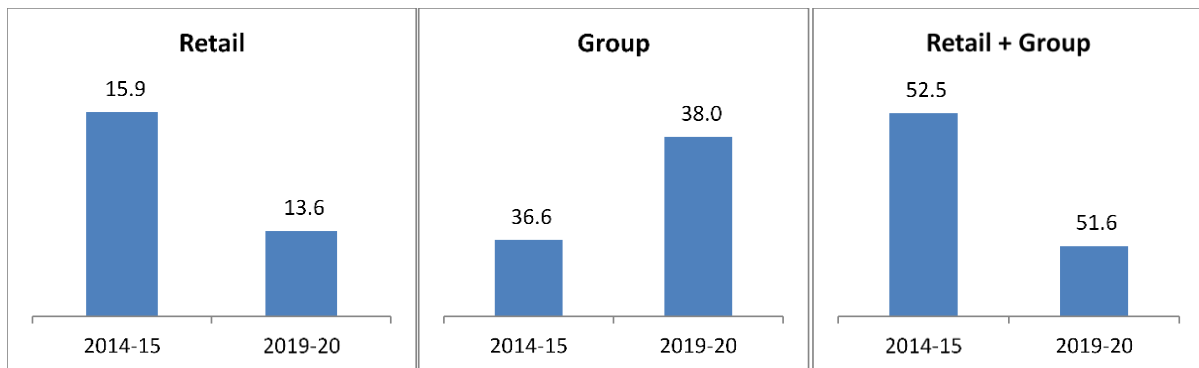
**Market Share (%)**



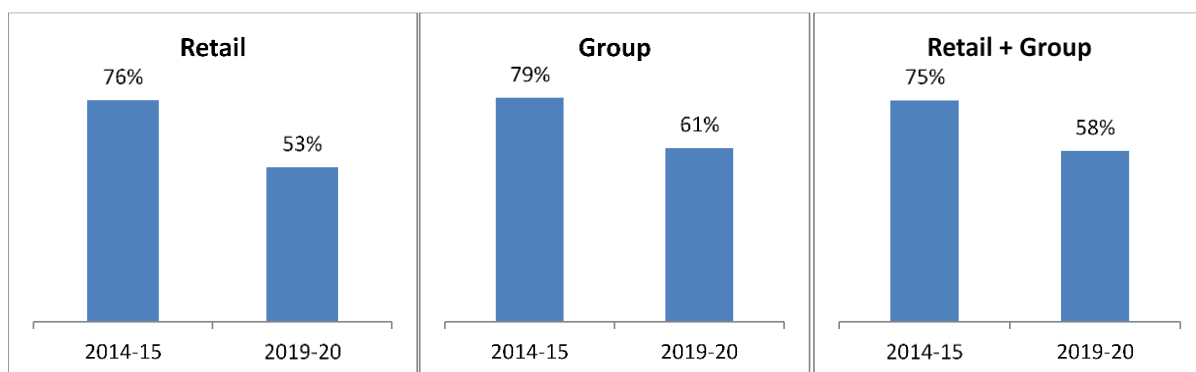
Source: IRDAI Annual Reports, Frost & Sullivan analysis

The chart below shows the group segment having a larger share of lives covered compared to the retail segment from 2014-15 to 2019-20. This can be attributed to larger PSUs offering group insurance coverage to their employees.

**Lives Covered, Public sector Insurers, million split by Group & Retail, 2015-20**



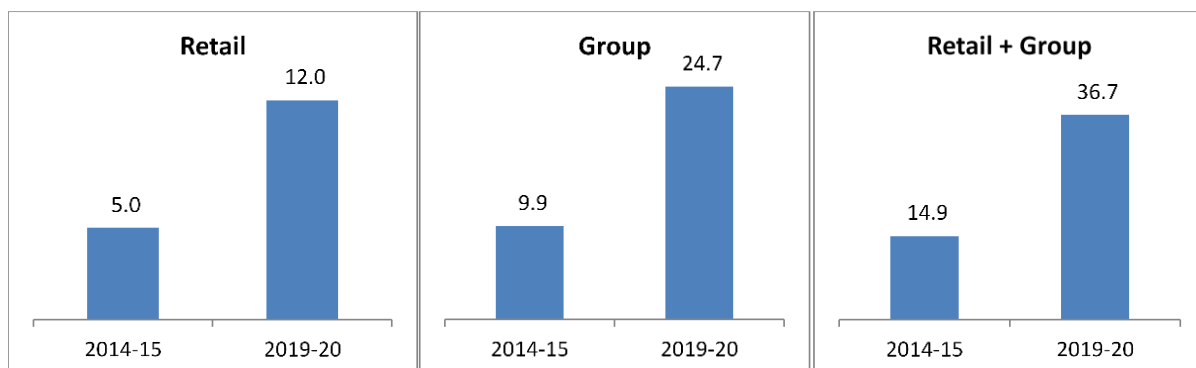
**Market Share (%)**



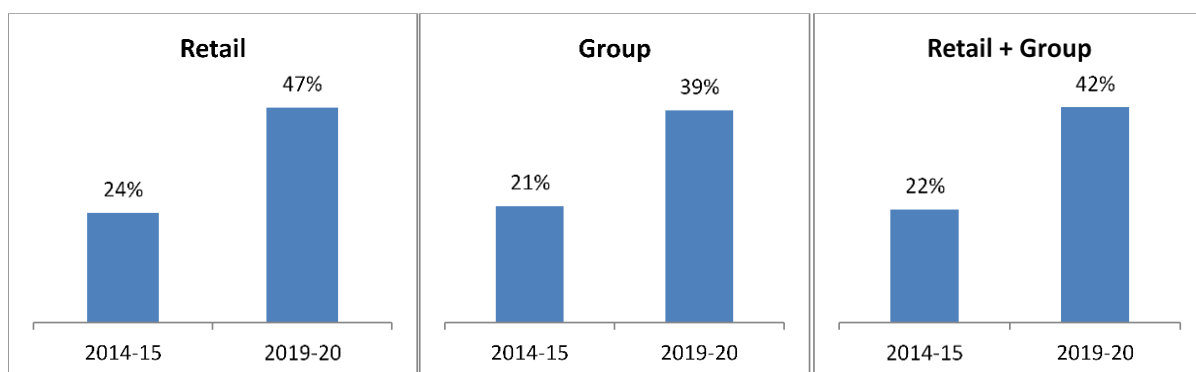
Source: IRDAI Annual Reports, Frost & Sullivan analysis

Private sector contribution remains low compared to government-backed insurers. Latest trends and market study have shown a decline in market share of Indian public general insurers, with momentum tilting towards private players.

**Lives Covered, Private sector Insurers, split by Group & Retail, million, 2015-20**



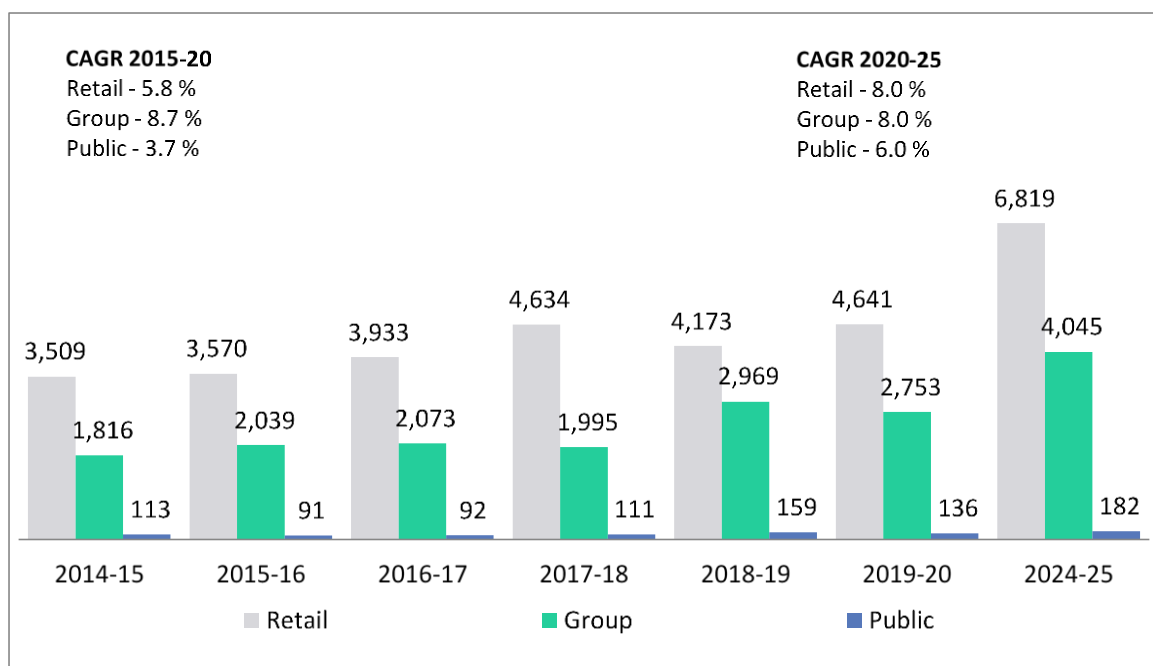
**Market Share (%)**



Source: IRDAI Annual Reports, Frost & Sullivan analysis

Current premium per life by various health insurance business segments

Gross direct premium per life (in ₹) by various health insurance businesses in India

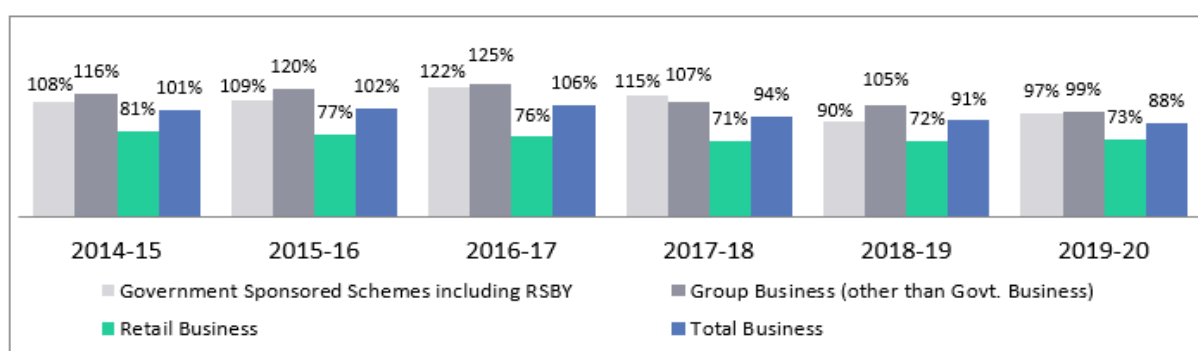


Source: IRDA Annual Report

Incurred claims ratios

Incurred Claims Ratio (“ICR”) (value of claims settled divided by value of premium collected during the same period) for health insurance business has shown a decreasing trend from 101% in 2014-2015 to 88% in 2019-2020. While ICR for group health benefit schemes (other than Government Business), has remained over 100% for majority of the preceding six years and has also been the highest amongst all scheme types.

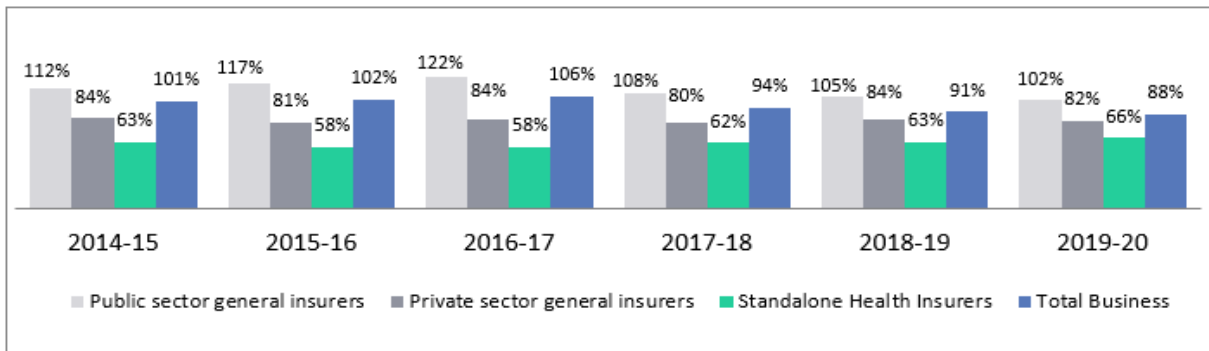
Net incurred claims ratio by class of health insurance business (%)



Source: IRDAI annual Report

The ICR of public sector general insurers has remained more than 100% for all the preceding six years. On the other hand, during the same period, the ICR of private sector general insurers and stand-alone health insurers showed an improving trend.

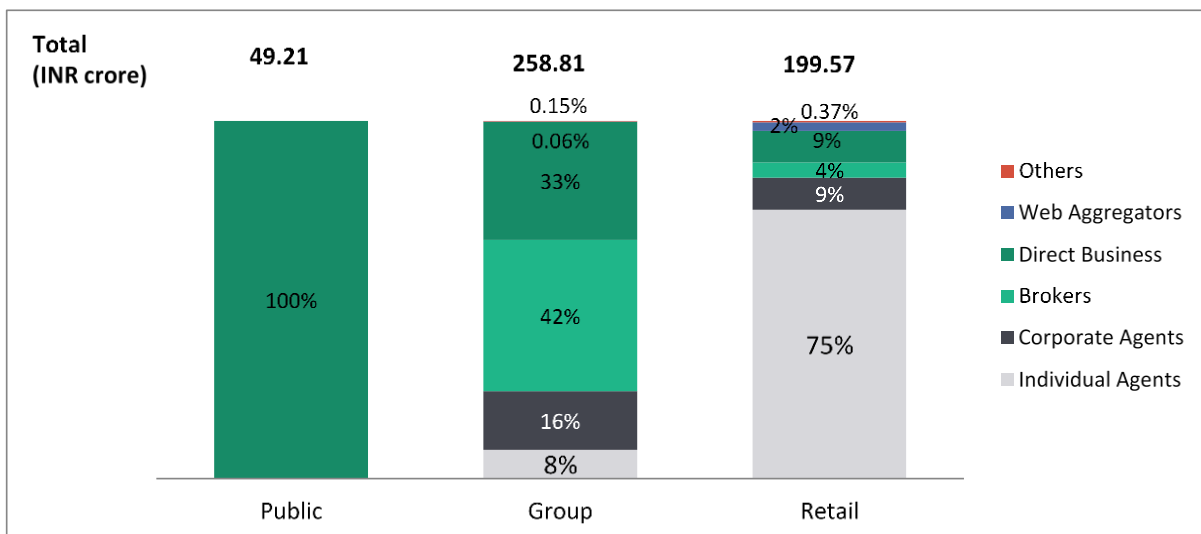
### Sector wise claims ratio, health insurance, India (%)



Source: IRDAI annual Report

### Distribution models of insurance companies

#### Distribution models of insurance companies, market share of premium by type of business, (%), 2019-2020



Source: IRDAI annual reports

### Health Insurance: Current Scenario

Health insurance represents a significant opportunity for general and standalone health insurance companies given the low penetration, rising cost of healthcare, and increasing demand for quality healthcare. In particular, there is a growing demand for retail health insurance benefits at a reasonable cost with maximum coverage. In order to address the under-penetrated sector, corporates are expected to further introduce Self-Funded Health Benefits Plans. Further, as a large proportion of the rural population is not covered by health insurance policies, central and state governments are likely to introduce newer public health benefit plans or increase the coverage of existing plans. The Indian government has indicated a massive increase in government spend on health care, through the implementation of the 'National Health Protection Scheme'.

India's insurance structure is unique as the outpatient insurance coverage is almost non-existent. The outpatient insurance coverage is a subject of much discussion lately, and within its purview, the segments of preventative health management, early diagnosis of disease is gaining importance. There is also traction to include out-patient coverage as part of health insurance policy. This could result in growth in premium and penetration as the policy will be more relevant to the requirements of the insured. With that the individual / corporate health benefits and wellness management will also gain importance and thereby supporting the evolution of newer business models.

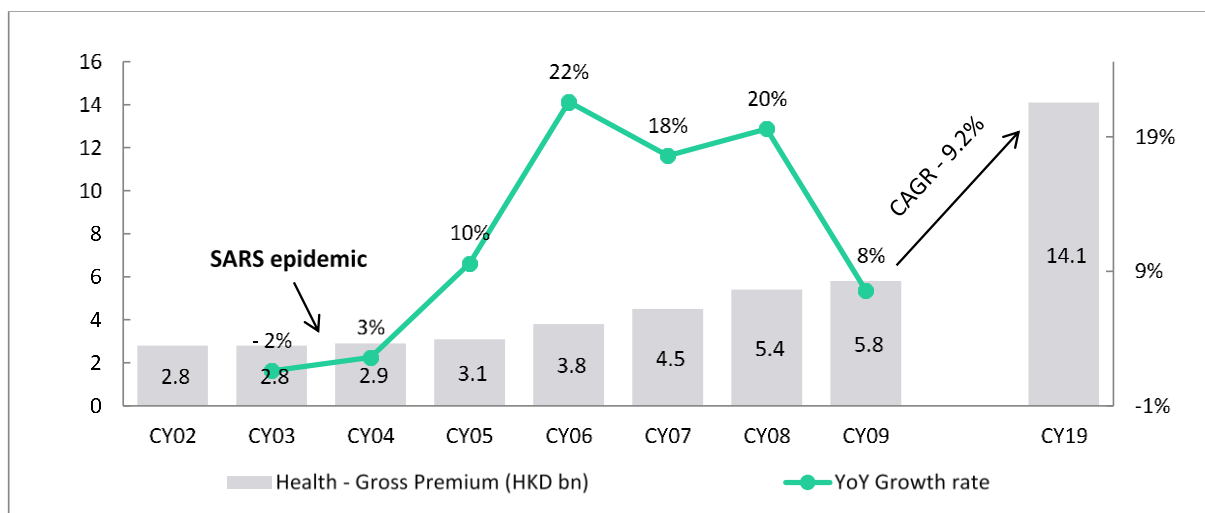
Due to COVID-19 pandemic, the overall demand for health insurance policies is expected to increase considerably over next few quarters due to fear of hospitalisation and associated expenditures along with increased awareness and concern about one’s health.

The comparison of nine month period in 2020-2021 (April to December 2020) with same time period in 2019-2020 shows that retail policies premium has grown at 30% compared to 12% for group policies and reduced by 26% for the public segment. F&S expects this trend to continue in near future.

*Post SARS, health insurance witnessed strong growth in Hong Kong; partly signs of a similar trend in India*

Post SARS, there was a large surge in health insurance in the subsequent three years from calendar year 2005-2008 in Hong Kong. Since SARS, the contribution of health insurance steadily increased in HK. Post COVID-19, there could be deterioration in the health loss / combined ratios (due to bunching up of optional medical treatments). A similar trend was witnessed in HK in calendar year 2005. Similar trends could play out in India’s health insurance market.

**Health insurance gross written premium in Hong Kong, HKD billion, and CY02-20**



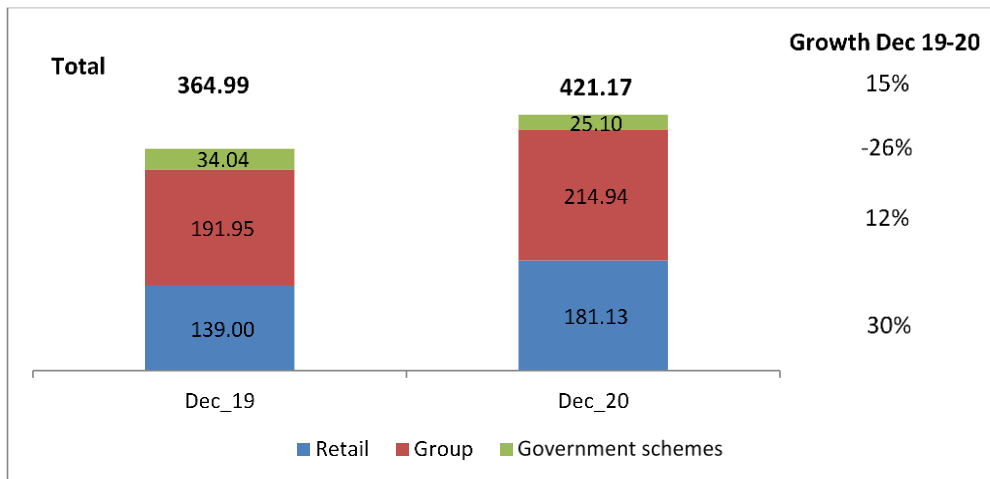
*Note: CY denotes calendar year  
Source Hong Kong Insurance Authority*

*Growth in health insurance premium in India post COVID-19 pandemic*

The gross health insurance premium written under the retail segment is expected to increase due to COVID-19 associated health awareness amongst retail customers. The retail segment has grown at a whopping 30% CAGR over a nine-month period (April to December) from 2019-20 to 2020-21 as compared to other segments such as the public segment, which has regressed over the same period.



### Health insurance gross written premium in India, ₹ billion and Dec 19-20



Source: IRDAI Annual Reports, Frost & Sullivan analysis

The COVID-19 pandemic has prompted health insurers to launch new innovative products for its customers which are mostly short term, carrying fixed benefits and covering a fixed amount in excess of the hospitalisation schemes.

The pandemic has also presented an opportunity for the insurers to partner with corporates for health and wellness benefits to its employees so as to increase their health quotient and improve the ability to combat any type of illnesses. This will help in reducing the total number of claims raised to the insurers and aid in their profitability.

Due to increased hospitalisation from COVID-19 related illnesses and comorbidities, the total number of claims raised is expected to increase. Also, some studies have shown that COVID-19 affects those with comorbidities like hypertension, diabetes, renal and other chronic diseases. Prolonging of these comorbidities is expected to increase the probability of claims for an extended period of time.

This is expected to increase the claims ratio for health insurers and resultant losses due to increased number of claims. This will also result in increase in premium prices in near future.

#### **Role of Government in Promoting Health Insurance in India**

Currently, the central government and state governments run the following health insurance schemes in India:

- Pradhan Mantri Jan Arogya Yojana (“**PM-JAY**”): annual health cover of ₹ 0.5 million per family;
- Universal Health Insurance Scheme (“**UHS**”): provide health insurance coverage to people belonging to the BPL (“**BPL**”) category;
- Rashtriya Swasthya Bima Yojana (“**RSBY**”): for population BPL category;
- Employment State Insurance Scheme (“**ESIS**”);
- Central Government Health Scheme (“**CGHS**”);
- Health Insurance Scheme for Handloom Weavers: occupational groups scheme;
- Rajiv Gandhi Shilpi Swasthya Yojana for handicraft artisans: occupational groups scheme;
- Karunya Medical Aid Scheme, Kerala: for under-privileged population;
- Vajpayee Aarogyasri, Karnataka: for rural and urban BPL and APL families;
- Rajiv Gandhi Jeevandayee Arogya Yojana (“**RGJAY**”), Maharashtra: BPL and APL families;
- Chief Minister’s Comprehensive Health Insurance Scheme , Tamil Nadu: families with annual income of less than ₹ 72,000;
- Rajiv Aarogyasri Scheme, Andhra Pradesh: BPL families;
- Swarnajayanti Arogya Bima Yojna (“**SABY**”), Goa: all residents of Goa;
- Mukhya Mantri Swasthya Bima Yojana, Jharkhand: population under food security act;
- Atal Amit Abhiyan, Assam: for families with annual income less than ₹ 0.5 million;
- Mukhya Mantri State Health Care Scheme, Himachal Pradesh: most vulnerable population (single women, elderly, disabled, daily wage workers and anganwadi workers);
- Mukhyamantri Amrutum, Gujarat: BPL families earning less than ₹ 0.25 million per annum;

- West Bengal Health Insurance Scheme: for all employees and pensioners;
- Mukhyamantri Swasthya Bima Yojana (“MSBY”), Uttarakhand: all families;
- Manipur Chief Minister-gi Hakshelgi Tengbang (“CMHT”): health assurance for poor; and
- Rajya Bimari Sahayata Nidhi Yojana, Madhya Pradesh: for BPL card holders.

### ***Future Product and Industry Trends for the Health Insurance Industry in India***

- Rising disposable incomes and greater awareness stemming from an increase in focus by the government on social sector insurance schemes.
- Rising costs of medical care is expected to lead to an increase in demand for health insurance, as well as an opportunity to target higher value policies in terms of the sum assured for health insurance companies.
- Increasing the tax deduction limit for premiums, focusing on healthcare facilities for all and raising FDI in insurance to aid faster growth of the industry through larger investments.
- The opening up of the banc assurance, mobile and e-platform channel for health insurance distribution has brought in a new growth impetus for the sector. Factors like deeper penetration of banks and other trusted channels are helping the health insurance sector enhance its reach in a cost-effective manner. F&S expects such innovative distribution models to boost health insurance penetration in the country.
- Future trends: Some of the key trends of health insurance industry in India are projected to be as follows:
  - growth of standalone health insurance companies: Though they currently control around 18% of the total health insurance market in India (in terms of annual premium amount), going forward F&S expects such insurers to expand rapidly as health insurance will require more specialized knowledge and operational expertise.
  - digitally-enabled agents/brokers: A significant majority of US agents, for instance, do not have key digital tools such as client portals, mobile apps and claims download tools that facilitate automation. F&S foresees a possibility of technological leapfrog and digital distribution of insurance becoming prevalent in India over the next decade.
  - a shift from managing curative healthcare expenses to preventive healthcare expenses: Along with outpatient healthcare expenses coming under the health insurance coverage.

### ***Potential Role of Life Insurers in Health Insurance Product Creation and Growth of the Industry***

- Technology is expected to play an important role in new product creation for future. With increase in sale of connected devices such as wearables, data sharing has become easier and with more and more customers willingly sharing their health data in exchange for personalization, life insurers can provide customized health products to its policyholders.
- Over past three to four years, Indian insurance industry has seen emergence of web aggregators as a popular channel of distribution. Online sale of insurance policies will help to increase the reach along with reduction in customer acquisition costs. This segment is expected to help the overall growth of insurance sector.

### ***Technology as an Enabler in Health Insurance Industry***

- Information technology is deeply imbedded in all insurance organizations and health insurance is no exception. The numerous complexities associated with pricing, managing members, collecting premiums, contracting with provider networks, analyzing risk, designing and pricing benefit plans, adjudicating claims, reviewing health services utilization, and distributing payments cannot be performed without strong IT systems and services.
- Health insurers use both in-house IT products as well as IT services deployed by third party vendors. The health insurance IT market is served by a wide range of service providers, offering both end-to-end IT platforms as well as niche IT applications and services.
- Opportunities exist for optimizing and leveraging technology to implement business intelligence and dynamic

rule engines on which claims conditions can be configured. This would ensure consistency in claims processing, reduction in processing time and manpower.

- The health insurance data available with various stakeholders are not captured and stored in a standard format and cannot be readily used and ported across stakeholders. Most of the historic data is in un-structured format. This issue has been acknowledged and is being addressed with the availability of structured data.

## **Indian Health Benefits Administrator/Third Party Administrator (“TPA”) Industry**

### ***Brief History of the TPA Industry in India***

The beginning of TPA industry in India finds its roots in the development of health insurance in the country. In the 1980s, most of the organized Indian employers started making some form of financial commitment towards reimbursing healthcare expenses to their employees. With the increase in such expenses, arose the demand for insurance programs customized for covering employee medical expenses. Public insurance companies in the country responded by launching group health insurance schemes.

It worked only on the reimbursement model wherein the policy holder would submit a claim form to the insurer together with items such as all medical bills, diagnostics and prescription for drugs. The insurer used to review the submitted claim documents and reimburse based on the limits and sub-limits set under the respective policy.

As the industry grew, reimbursement model and lack of a customer service system were recognized as the biggest challenges. This was also viewed as a business opportunity and in 1996, few organizations started offering administrative services to the health insurers and policy holders. These companies offered direct settlement with the hospitals and few also started 24x7 call centres to address policyholders’ queries and to update their claim statuses. The IRDAI issued the (Third Party Administrators – Health Services) Regulations, 2001, on September 17, 2001.

TPA is an organization that processes insurance claims on behalf of the insurance companies. It enters into contract with the insurance companies and plays an important role in the health insurance sector, by ensuring better services to policyholders. It expected the insurers to take the risks, set the premium rates and undertake the marketing and enrolment, while TPAs were simply expected to take over the claims processing function. It also laid down stringent licensing requirements for the TPAs, creating entry barriers into the industry.

### ***Core Functions and Key Roles of Health Benefits Administrators/Third Party Administrators in India***

The following are the key functions of TPAs:

*Enrolment and issuance of ID card:* Post underwriting of a policy, details of the policyholder or beneficiary are transferred by the insurer to the TPA, which in turn enrolls the individual(s) to its member base and issues an ID card bearing a unique identification number.

*Pre-authorization for cashless facilities:* In the event of planned or emergency hospitalizations, the patient seeking cashless treatment furnishes his or her ID card at the hospital, who then reaches out to the TPA for pre-authorization of the claim. The TPA performs internal checks to ensure validity of the claim before authorizing it for a cashless benefit.

*Reimbursement claim administration:* In case of the policy holder or beneficiary seeking reimbursement of expenses borne on covered treatments, he or she furnishes the bills to the TPA. The TPA then adjudicates the claim based on policy parameters and facts specific to the claim and shares the adjudication with the insurer, which eventually settles or rejects the claim.

*Cashless settlement of claims prior to discharge:* In order to avoid delay in hospital discharges, pre-authorization is carried out where an initial amount has been sanctioned by the insurer along with acknowledgement that final payment will be paid subject to final bills. TPAs provide their support by giving their final nod to the hospital for it to process the settlement.

*Customer support:* Policyholders or beneficiaries often have enquires pertaining to, among others, the status of claims and network hospitals. Each TPA is required to operate a 24x7 customer call centre to address such queries.

***Provider network management or empanelment:*** TPAs regularly engage with hospitals and empanel them for the purpose of administering cashless benefits to its members. Maintaining such a panel requires regular liaising with the hospitals.

***Provider contracting for preferential tariffs:*** In addition to empanelling such hospitals, TPAs also enter into contracts with them for availing preferential rates of various healthcare treatments for its members.

***Fraud and abuse control:*** If not properly administered, insurance claims remain vulnerable to fraud and abuse. For timely detection and prevention of such frauds, TPAs run several checks and controls as part of their adjudication process.

***Data analytics and MIS:*** Claims data received by TPAs is a rich source of information and is used to identify and monitor healthcare trends. Digital tools have enhanced the analytics and efficiency aspects for the firms themselves.

***Adoption of digital technology:*** Recently, TPAs have started providing digital tools such as client portals, mobile apps and claims download tools that facilitate automation. The technology driven infrastructure and services of TPAs are integral to the operations of insurance companies, healthcare providers, insurance brokers and insurance agents. All these are also expected to drive efficiency both internally and externally.

***Corporate health management services:*** A few TPAs have started providing online platforms and risk assessment tools which delve upon the employee database and help the corporate to plan better health benefit plans. They offer the benefits such as preventive health check-ups, health risk assessments, doctors advise, diagnostics and gym memberships, some wellness programmes and also provide additional benefits (that are not normally covered under health insurance plans) like curative services (such as vaccination, yoga and meditation classes) and rehabilitative healthcare services (such as physiotherapy, pre and post-natal care).

In addition, TPAs also perform the following activities specific to public health insurance schemes:

- Publicity and population mobilization activities for the scheme;
- Identification and verification of the beneficiaries;
- Enrolment of members and distribution of physical ID cards for members; and
- Cashless administration of claims.

### ***Regulatory Overview of TPAs in India***

Licensing and functioning of TPAs in India is regulated by the Insurance Regulatory and Development Authority of India (Third Party Administrators - Health Services) Regulations, 2016. IRDAI issues periodic circulars amending the regulation based on the feedback received from multiple stakeholders involved in the system. The latest amendment was in 2019 and it gives freedom to the insured to select the TPA for any health insurance claim, thereby offering higher flexibility to the customer.

### ***Top insurance players by number of lives covered (in %) in various sub-segments***

<b>Insurer</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
Bajaj Allianz	3%	3%	13%	13%	21%	27%
HDFC ERGO	6%	2%	26%	3%	8%	10%
ICICI Lombard	17%	33%	28%	12%	13%	14%
SBI General	1%	3%	5%	6%	2%	3%
Universal Sompo	3%	2%	1%	1%	1%	1%
Others - Private	70%	57%	27%	65%	54%	45%
<b>Private Sub - Total (Lives in million)</b>	<b>63</b>	<b>68</b>	<b>75</b>	<b>87</b>	<b>116</b>	<b>120</b>
National	39%	31%	30%	38%	46%	46%

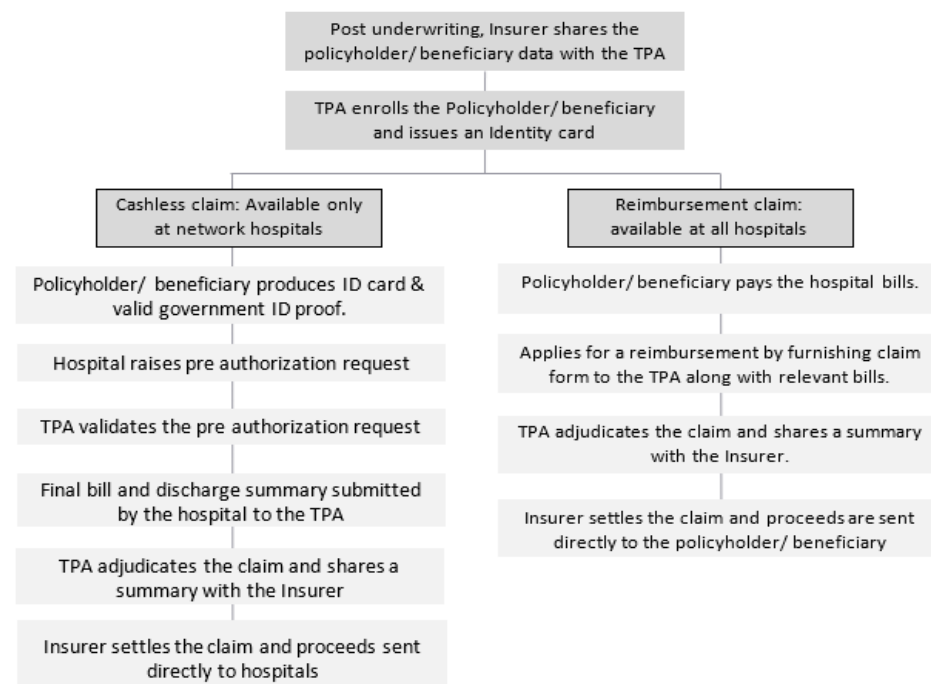
Insurer	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
New India	17%	28%	28%	21%	27%	27%
Oriental	11%	4%	5%	4%	9%	12%
United India	32%	37%	37%	37%	17%	16%
<b>Public Sub - Total</b> <i>(Lives in million)</i>	<b>211</b>	<b>277</b>	<b>347</b>	<b>376</b>	<b>320</b>	<b>334</b>
HDFC ERGO Health	14%	18%	20%	18%	14%	12%
Max Bupa	13%	14%	15%	13%	15%	10%
Religare	19%	8%	9%	14%	30%	29%
Star Health	53%	59%	52%	48%	33%	32%
Others – Sahi	0%	1%	4%	7%	7%	16%
<b>SAHI Sub - Total</b> <i>(Lives in million)</i>	<b>14</b>	<b>14</b>	<b>15</b>	<b>19</b>	<b>35</b>	<b>44</b>
<b>Grand Total (million)</b>	<b>288</b>	<b>359</b>	<b>437</b>	<b>482</b>	<b>472</b>	<b>499</b>

#### Types of claims handled by TPAs

Cashless Claims	Reimbursement Claims	Benefit Based Schemes	Domiciliary Claims
<ul style="list-style-type: none"> <li>– Policyholder/ Beneficiary has a planned treatment</li> <li>– Available only in networked hospitals</li> <li>– Policyholder/ Beneficiary is normally required to inform TPA in advance</li> <li>– Required to produce the ID card issued to policyholder/ beneficiary</li> <li>– Settlement is made by the insurer directly to the hospital</li> </ul>	<ul style="list-style-type: none"> <li>– Policyholder/ Beneficiary pay the expenses out of pocket and get the expenses reimbursed after discharge.</li> <li>– Usually happens in case of non-networked hospitals with TPAs.</li> </ul>	<ul style="list-style-type: none"> <li>– Benefit-based health plans pay a fixed amount upon the diagnosis of a covered ailment.</li> <li>– The amount can act as a substitute for income when the policy holders are unable to work.</li> <li>– Such plans elevate the financial burden of the family by providing additional funds for medical expenses and treatment.</li> </ul>	<ul style="list-style-type: none"> <li>– Domiciliary claims cover covered illnesses that do not require hospitalizations, including treatment either taken from a physician or at the OPD in a hospital</li> <li>– Expenses incurred on domiciliary hospitalization are covered by the insurance plan only after certain criteria are met.</li> </ul>

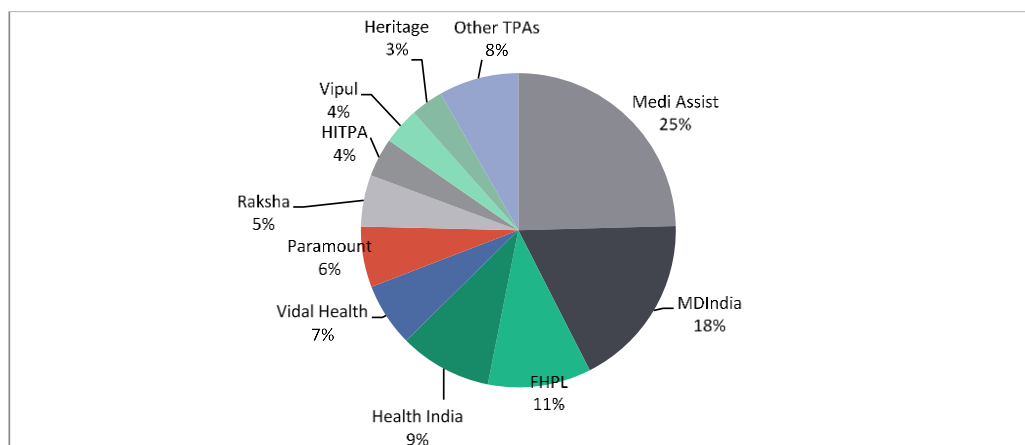
## Standard Procedure Followed by TPAs

### Standard procedure followed by TPAs based on major forms of claims settlement processes



## Key Third Party Administrators Profiles

### Top TPAs contribution in terms of revenues, 2020



Note: HITPA- Health India Insurance TPA Services Private Limited. FHPL -Family Health Plan Insurance TPA Pvt. Ltd.

Sources: TPA Public disclosures, MCA Records

### Top 10 Players in Indian Health Insurance TPA Industry (Based on Financial Year 2020 Revenues)

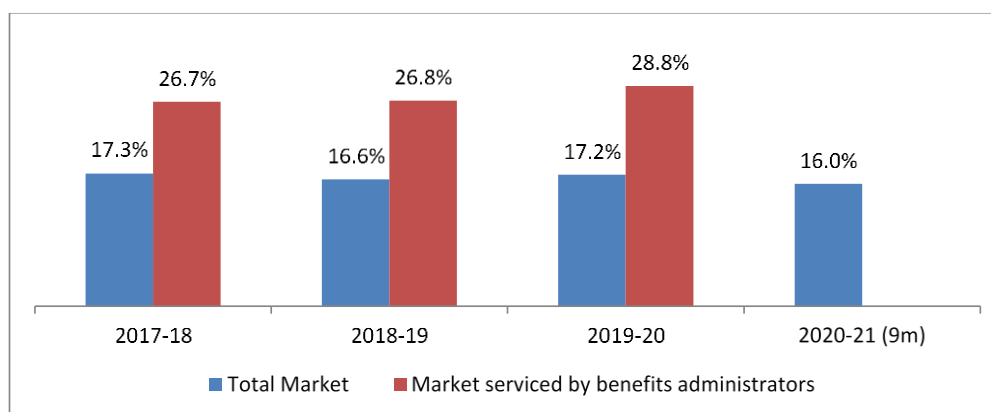
S/N	Name of the TPAs	Revenue (in ₹ million)			% Share of TPA industry revenue		
		2019-20	2018-19	2017-18	2019-20	2018-19	2017-18
1.	Medi Assist Healthcare Services	3,304.1	2,811.7	2,415.8	25%	22%	22%
2.	MDIndia Health Insurance TPA Private Limited	2,409.9	2,210.4	1,891.0	18%	17%	17%

S/N	Name of the TPAs	Revenue (in ₹ million)			% Share of TPA industry revenue		
		2019-20	2018-19	2017-18	2019-20	2018-19	2017-18
3.	Family Health Plan Insurance TPA Limited	1,424.5	1,278.1	1,113.0	11%	10%	10%
4.	Health India Insurance TPA Services Private Limited	1,276.9	1,233.4	867.9	10%	10%	8%
5.	Vidal Health Insurance TPA Private Limited	876.0	891.6	1,004.9	7%	7%	9%
6.	Paramount Health Services & Insurance TPA Private Limited	839.0	920.6	856.3	6%	7%	7%
7.	Raksha Health Insurance TPA Private Limited	713.4	671.9	662.3	5%	5%	6%
8.	Health Insurance TPA of India Limited	535.3	448.2	157.6	4%	4%	1%
9.	Vipul Medcorp Insurance TPA Private Limited	507.5	448.6	471.5	4%	4%	4%
10.	Heritage Health Insurance TPA Private Limited	448.7	427.5	442.7	3%	3%	4%

#### *Steady market share – Total Health Insurance Premium serviced*

Medi Assist has been able to maintain a steady market share of premium serviced both in terms of total health insurance market and addressable market for the TPAs. This can be attributed to consistent efforts taken by Medi Assist to grow inroads into the profitable retail segment, along with increasing its engagement with corporates through various health benefits programmes and increasing its premium serviced under the group segment.

#### **Medi Assist market share – Premium serviced, 2018-20**

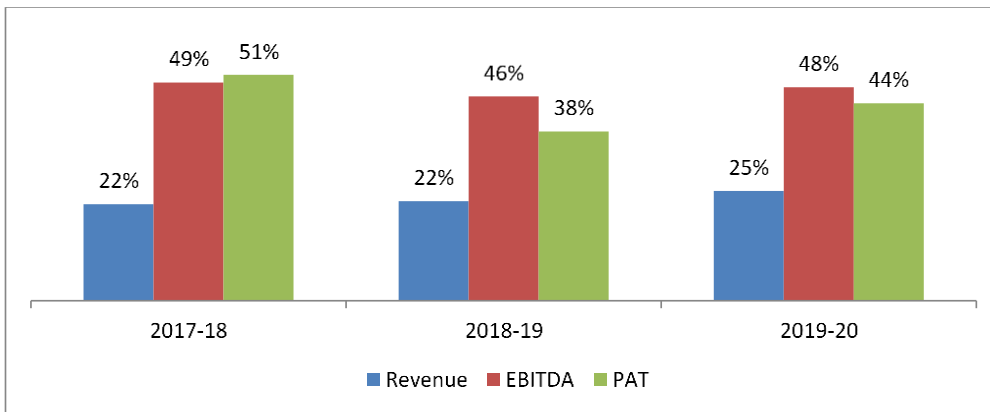


Source: IRDAI Annual Reports, GI council, Frost & Sullivan analysis  
Note : 2020-21 data is shown for 9 months from April 2020 to December 2020

#### *Higher shares of margin pool*

Even though Medi Assist has contributed around 22-25% of the total revenue pool of TPAs, it has consistently focused on profitability, which is reflected in its higher share of the EBITDA and PAT pools of TPAs. This can be attributed to the consistent efforts of Medi Assist's management towards focusing on the relatively profitable retail and group health insurance segments, as compared to public segment which is relatively less profitable. For the financial year 2020, Medi Assist's total revenues accounted for 25%, Medi Assist's EBITDA from continuing operations accounted for 48%, and Medi Assist's profit after tax from continuing operations accounted for 44%, of the Indian health benefits administration industry revenue, EBITDA and profit after tax, respectively.

**Medi Assist share of the revenue, EBITDA and PAT pool of the health benefits administration industry, 2018-20**

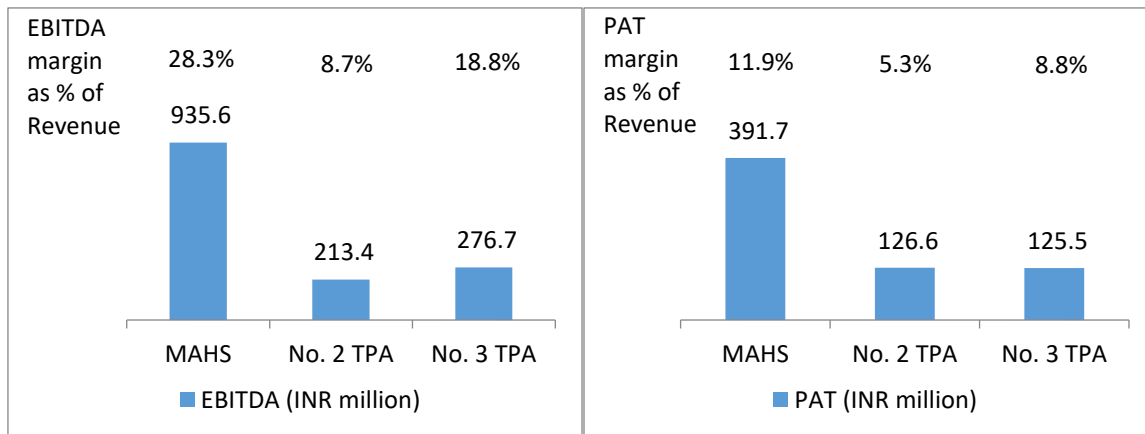


Source: IRDAI Annual Reports, GI council, Frost & Sullivan analysis

**More profitable than peers**

Medi Assist has been consistently more profitable compared to its peers, and is significantly ahead of other TPAs in terms of both EBITDA and PAT. Medi Assist’s EBITDA is 4.5 and 3.5 times as much as the second and third largest TPAs respectively. Medi Assist’s PAT from continuing operations is more than thrice as much as the second and third largest TPAs.

**EBITDA and PAT for Top 3 TPAs in terms of revenue, ₹ million, 2019-20**



Source: IRDAI Annual Reports; GI Council; Frost & Sullivan analysis

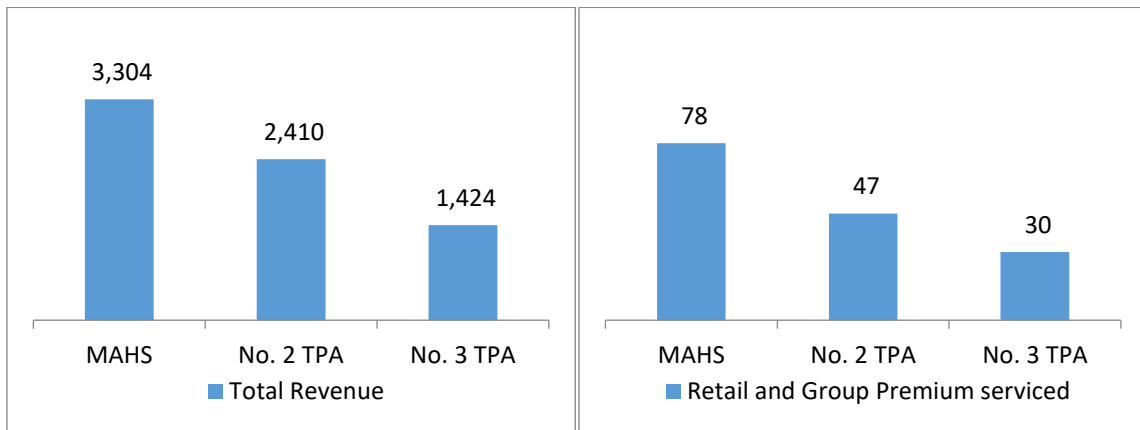
Note: The TPAs have been ranked based on their 2019-20 revenue

**Much larger than closest competitor**

Medi Assist is India’s largest health benefits administrator in terms of revenues and premium serviced for health insurance policies for the financial years 2018, 2019 and 2020. Medi Assist has maintained its position as the leading TPA in terms of revenue, as reflected in its 2019-20 revenue which is 1.4 and 2.3 times as much as the revenue of the second and third largest TPAs respectively, which are Medi Assist’s closest competitors. This has been possible due to its strategic focus on group and retail insurance accounts and relatively lower focus on less profitable public accounts.



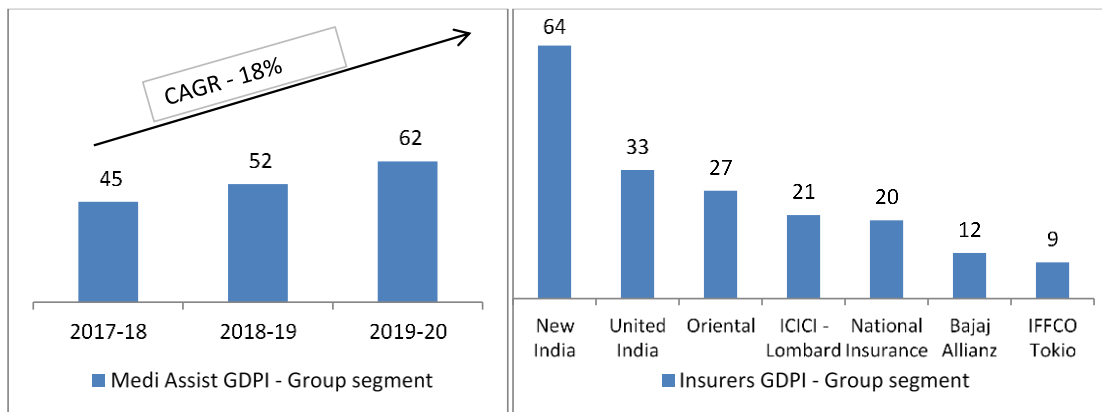
**Revenue (₹ million), Group and Retail premium serviced (₹ billion) of Top 3 TPAs, 2019-20**



Source: IRDAI Annual Reports, GI Council, Frost & Sullivan analysis

The Indian healthcare insurance market is experiencing high growth, attributable to many key factors such as the growing economy, as well as rising per capita healthcare expenditure, awareness and need for insurance. New India Insurance is the biggest player in market with ₹ 64 billion, followed by United India (₹ 33 billion) and Oriental Insurance at distant third with ₹ 27 billion in GDPI. Medi Assist’s corporate accounts premium managed, amounting to ₹ 62.4 million for the financial year 2020, was higher than the corporate health insurance GDPI of, all except one, general and health insurance companies in India.

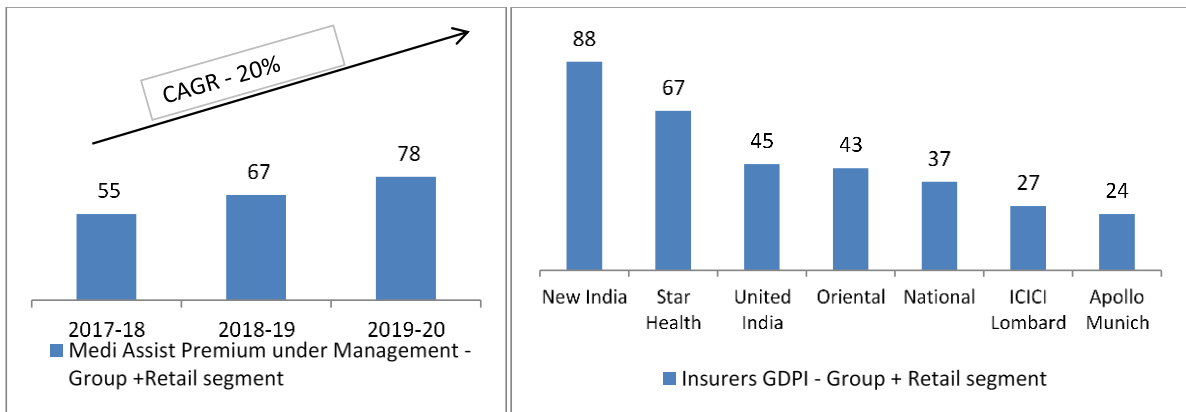
**GDPI comparison Medi Assist vs. Top 7 insurers, Group segment, ₹ billion, 2019-20**



Source: IRDAI Annual Reports, GI council, Frost & Sullivan analysis

For the financial year 2020, Medi Assist’s premium under management (group and retail segment) was higher than the health insurance GDPI of all, except one, general and health insurance companies in India.

**Gross direct premium income (GDPI) Group and Retail segment, comparison of Medi Assist with of Top 7 insurers, ₹ billion, 2019-20**

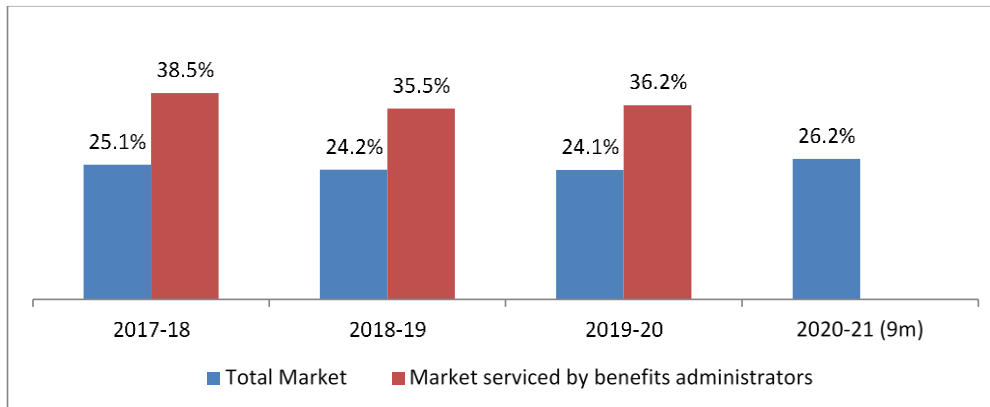


Source: IRDAI Annual Reports, GI council, Frost & Sullivan analysis

**Steady market share – Group Health Insurance premium serviced**

Medi Assist is India’s largest health benefits administrator in India for the group segment, in terms of premium serviced for the financial years 2018, 2019 and 2020. Medi Assist has maintained its leadership position in the group health insurance segment and has been able to maintain a steady market share of the group premiums serviced by benefit administrators, in the range of 35.5%-38.5% over the last three years. Its market shares of total group health insurance industry has been in the range of 24.1%-26.2% over the same time period.

**Medi Assist market share – Group Premium serviced, 2018-20**

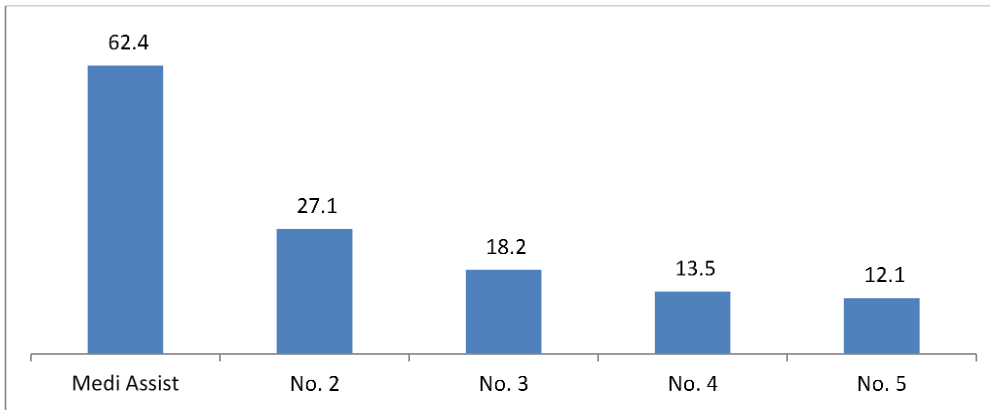


Source: IRDAI Annual Reports, GI council, Frost & Sullivan analysis

Note : 2020-21 data is shown for 9 months from April 2020 to December 2020

Medi Assist services over 7,500 corporate accounts across various sectors to help administer the insurance requirements of their employees. As of March 31, 2020, under its group accounts portfolio, Medi Assist managed ₹ 62.4 billion of premiums for the financial year 2020, representing 24.1% of the overall group health insurance market share in India and 36.2% of the group health insurance market serviced by health benefits administrators. In terms of the group premium serviced by TPAs, Medi Assist is significantly ahead of its peers and has serviced more than twice the premium of its closest competitor. This signifies the efforts taken by Medi Assist’s management in maintaining its leadership in the highest growing group health insurance segment. Medi Assist’s market share of total corporate premiums has increased from 25.1% in the financial year 2018 to 26.2% in the nine months ended December 31, 2020, while the Medi Assist’s market share of the corporate premiums serviced by benefits administrators stands at 36.2% in the financial year 2020 (as compared to 35.5% in the financial year 2019).

**Group Premium Serviced by Top 5 TPAs, ₹ billion, 2019-20**

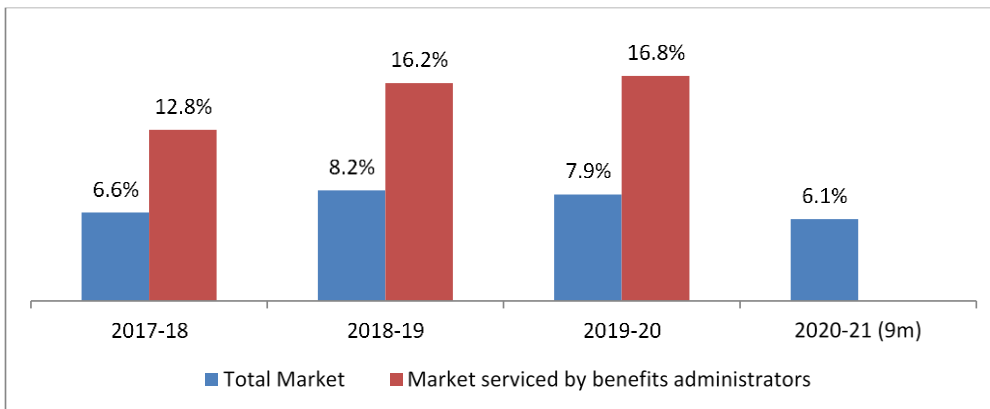


Source: IRDAI Annual Reports, GI council, Frost & Sullivan analysis

**Strong growth in Retail Health Insurance premium serviced**

Medi Assist also services retail insurance policyholders. As of March 31, 2020, under its retail portfolio, Medi Assist managed ₹ 15.9 billion of premiums for the financial year 2020, representing 7.9% of the overall retail health insurance market share in India and 16.8% of the retail health insurance market serviced by health benefits administrators. Medi Assist has maintained its market share in retail health insurance segment over last three years and has been able to maintain a steady market share of the premiums serviced by TPAs, in the range of 12.8%-16.8% over last three years. Medi Assist’s market share of total retail health insurance industry has been in the range of 6.6%-7.9% over the same time period.

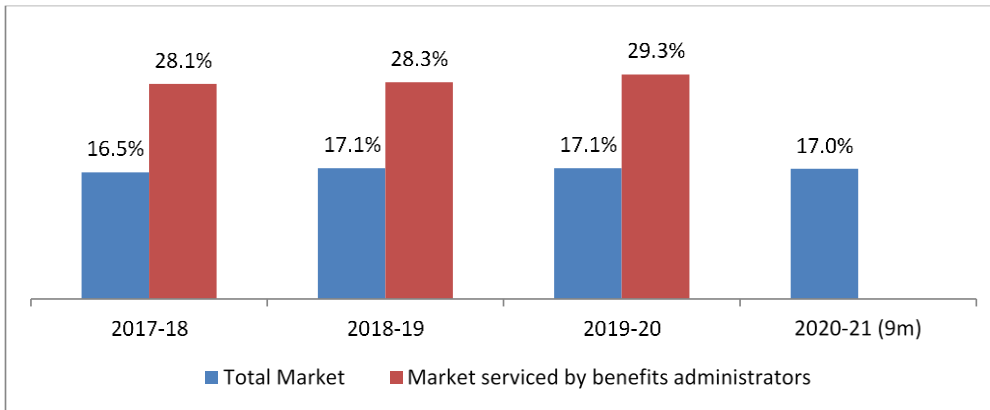
**Medi Assist market share – Retail Premium serviced, 2018-20**



Source: IRDAI Annual Reports, GI council, Frost & Sullivan analysis

Note : 2020-21 data is shown for 9 months from April 2020 to December 2020

**Medi Assist market share – Group and Retail Premium serviced, 2018-20**



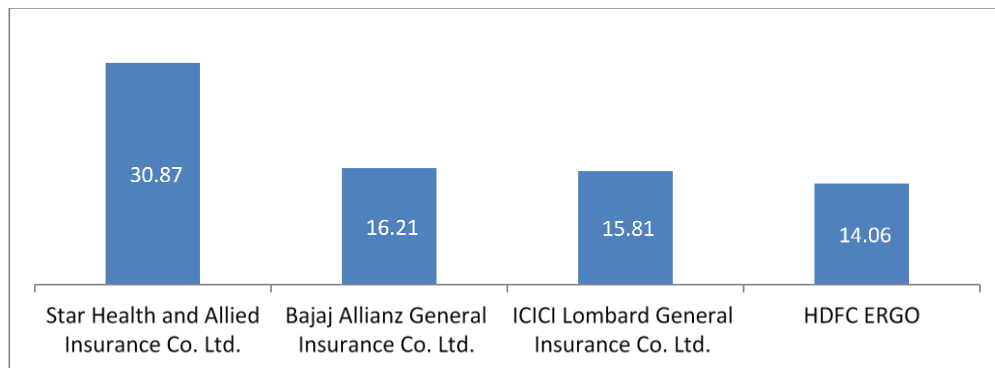
Source: IRDAI Annual Reports, GI council, Frost & Sullivan analysis

Note : 2020-21 data is shown for 9 months from April 2020 to December 2020

*Larger than all private insurance companies*

The value of claims processed by Medi Assist is higher than the net incurred claims of all the private insurance companies.

**Value of net claims incurred, ₹ billion, 2019-20**

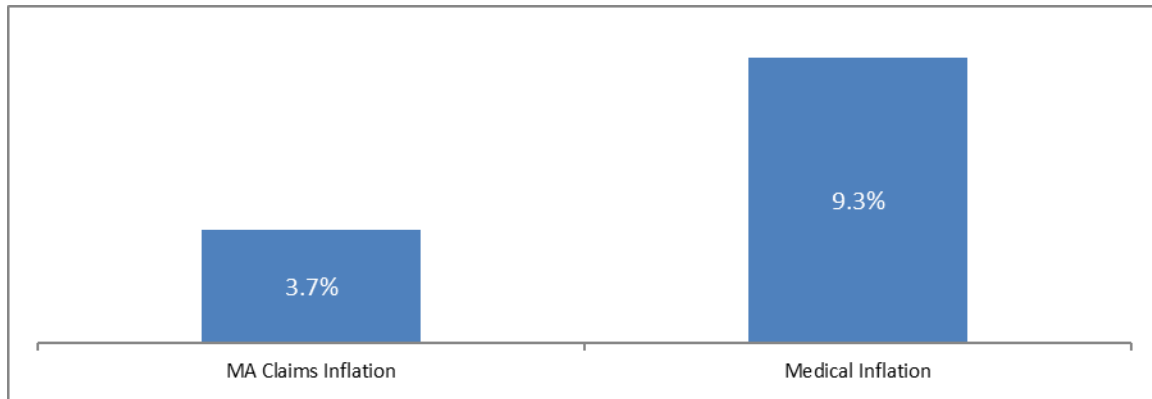


Source: IRDAI Annual Reports, GI council, Frost & Sullivan analysis

*Claim inflation below medical inflation*

The inflation in medical care cost is another cause of concern for India. In 2021, Aon Hewitt conducted a survey in 107 countries, which showed that the medical cost inflation in India is higher than the global average inflation rates and average inflation rates in Asia. Medi Assist cashless claims pay-out inflation between financial years 2018 and 2020 grew at a CAGR of 3.7% as compared to the overall medical inflation in India that grew at a CAGR of 9.3%.

### Medi Assist claims inflation vs. Medical inflation, CAGR 2018-20



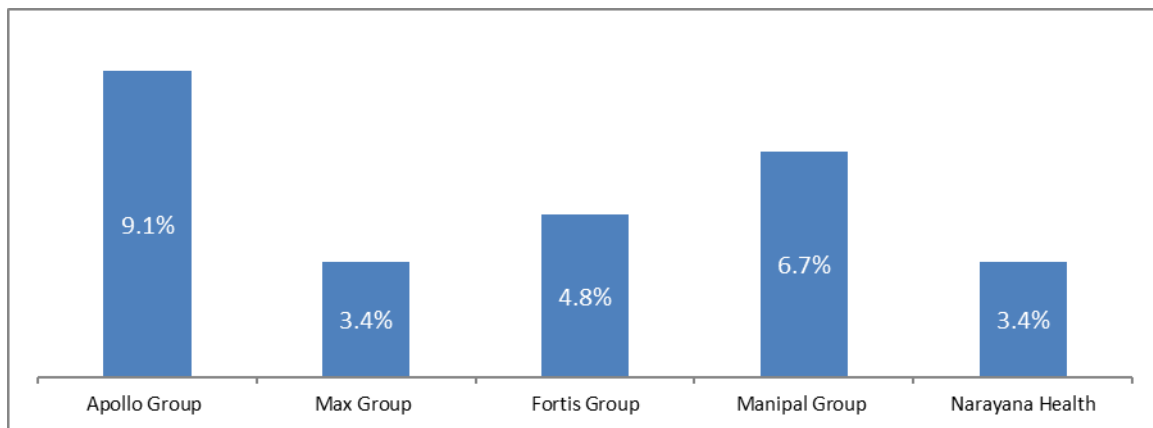
Source: Global Medical Trend Rates Study – Aon Hewitt Global Benefits, Willis Towers Watson survey

Note: The medical inflation has been calculated by taking geometric mean values of 2019,2020 and 2021 for the Aon Hewitt and Willis Towers Watson surveys and then taking the average of both

### Hospital revenues processed by Medi Assist

Medi Assist has been the most popular TPA amongst most of the leading hospital chain groups in India serving 9.1%, 6.7%, 4.8%, 3.4% and 3.4% of total healthcare services revenue in Apollo Hospitals Enterprise Ltd, Manipal Hospital Enterprises Pvt Ltd, Fortis Healthcare Limited, Narayana Hrudayalaya Ltd and Max Healthcare Institute Limited, respectively.

### Percentage of hospital revenues processed by Medi Assist, 2019-20

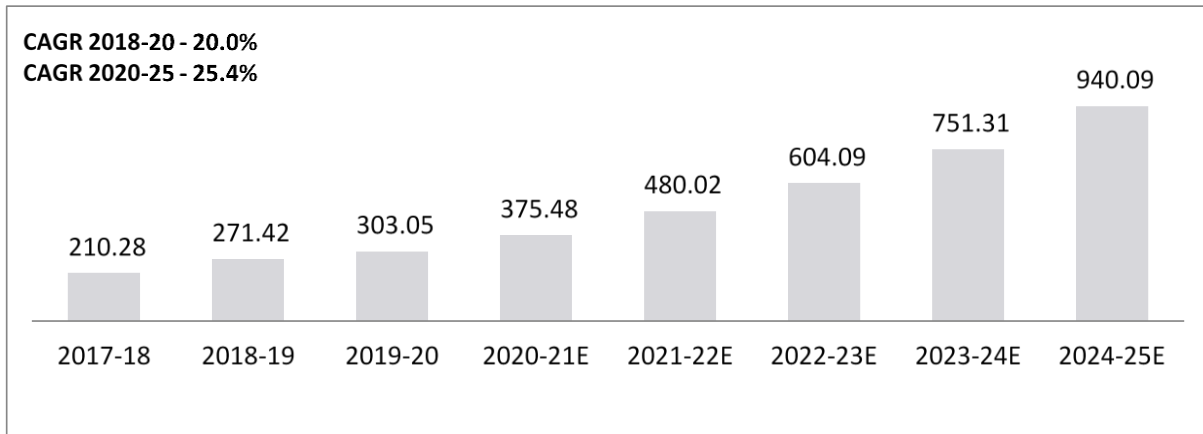


Source: Frost & Sullivan analysis

Note: The table above considers revenue from healthcare services for these hospital groups and the total claims handled by Medi Assist for these hospital groups

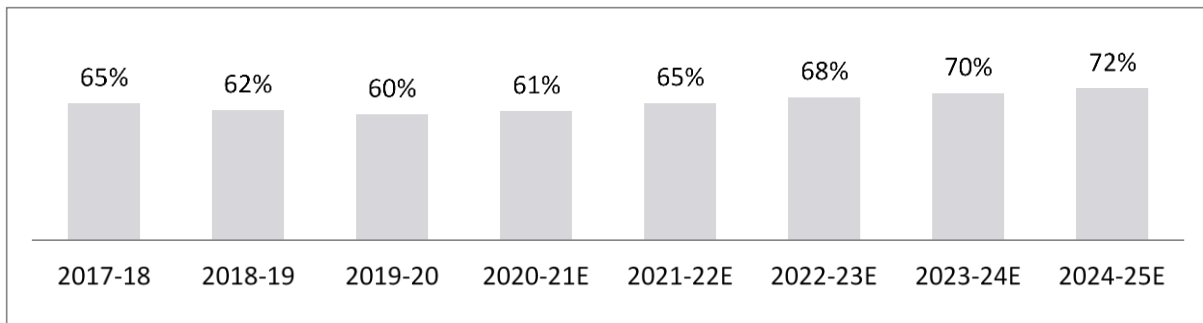
**Premium Serviced by the TPAs in India**

**Health insurance premium serviced by TPAs, (₹ billion), 2018-2025**



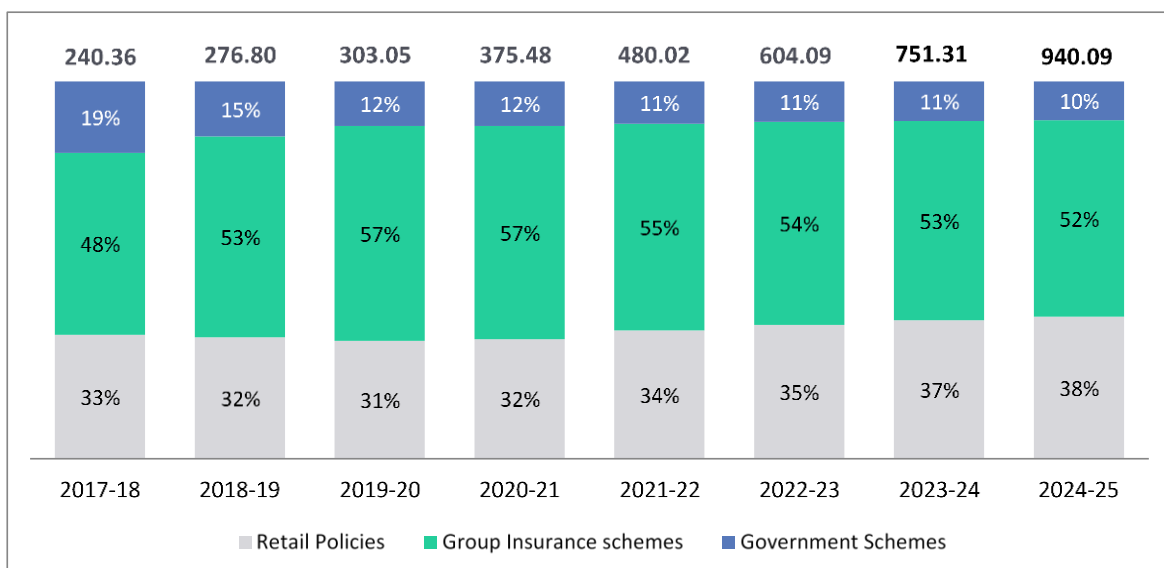
Source: IRDAI annual Report, Frost & Sullivan analysis

**Health insurance premium serviced by TPAs as % of Addressable Market, 2018-2025**



Source: IRDAI annual Report, Frost & Sullivan analysis

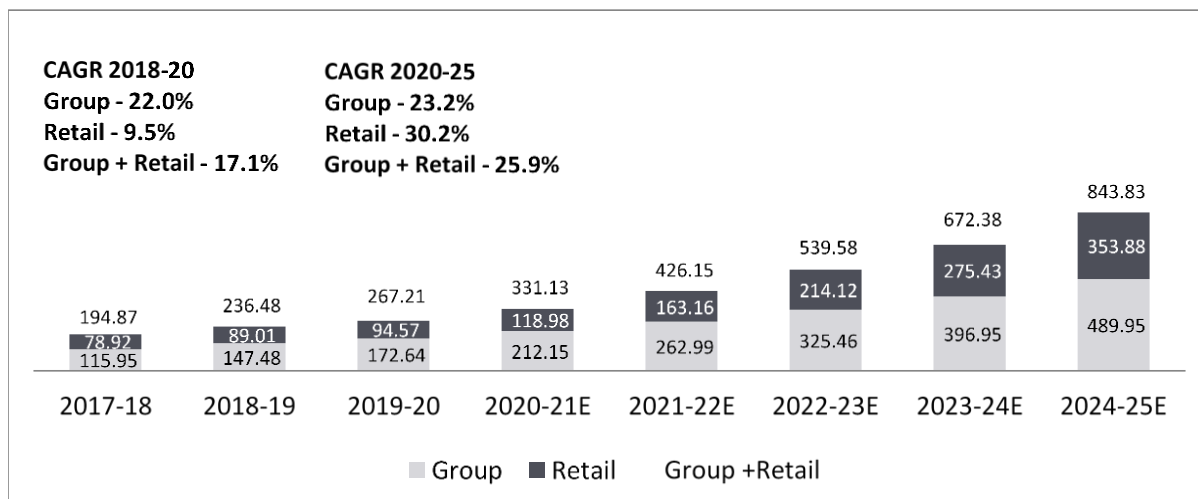
**Addressable market for TPAs, premium collected, split by various health insurance businesses (%)**



Note: The values at the top of each column shows the total addressable market in INR Billion

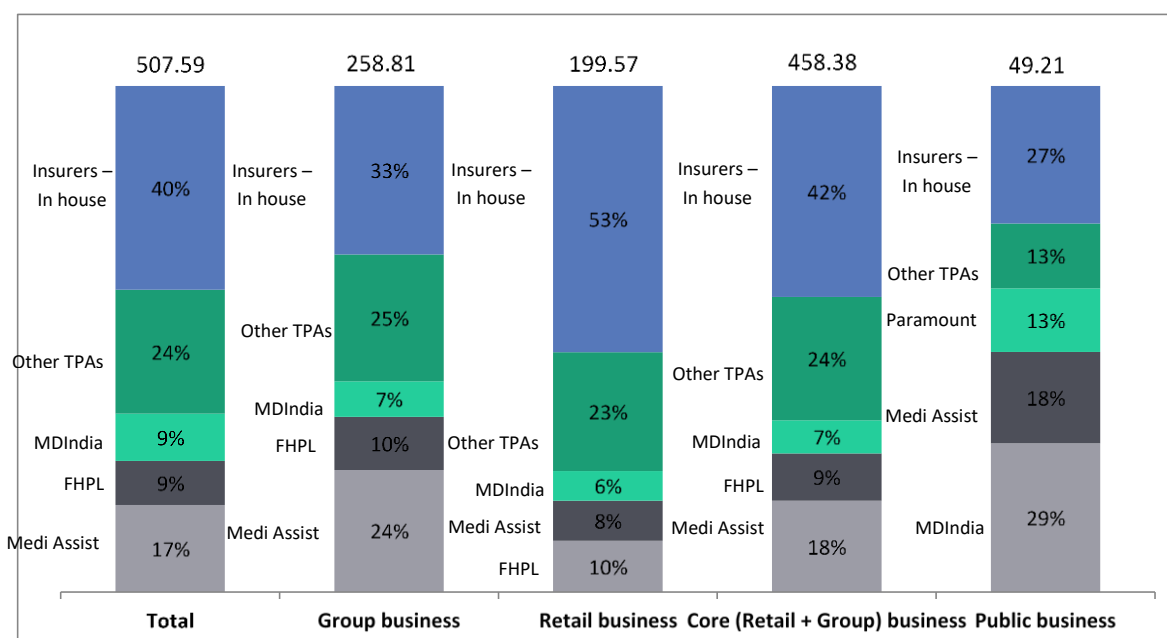
Source: Frost & Sullivan analysis

**Health insurance premium serviced by TPAs, Group, Retail, Group and Retail Business, (₹ billion), 2018-2025**



Source: IRDAI Annual Report

**Total premium serviced by key TPAs as % of total health insurance premium, 2019-2020**



Note: The values at the top of each column show the premium serviced in INR Billion

Source: TPA annual report as furnished to IRDAI

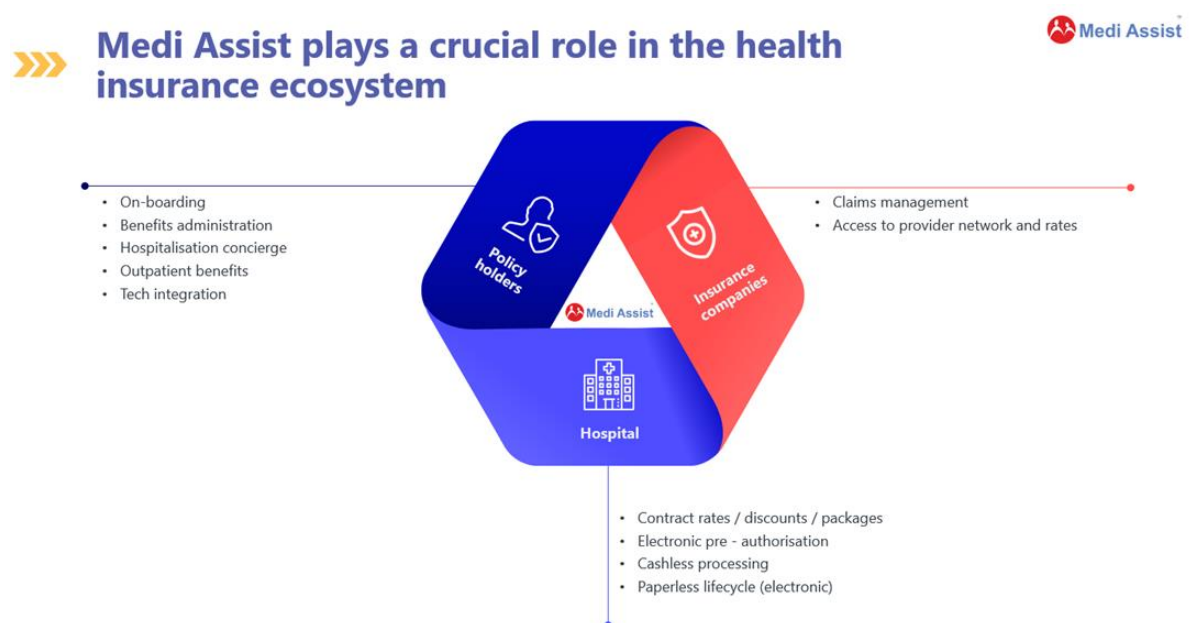
**Profiles of select TPAs**

**Financial and Operational Profiles, Key TPAs, 2019-2020**

Parameters	Medi Assist	No. 2	No. 3	No. 4	No. 5	No. 6	No. 7	No. 8	No. 9	No. 10
<b>Revenue</b> (₹ million)	3,304	2,410	1,425	1,277	876	839	713	535	508	449
<b>EBITDA</b> (₹ million)	936	213	277	120	66	85	146	63	76	130

Parameters	Medi Assist	No. 2	No. 3	No. 4	No. 5	No. 6	No. 7	No. 8	No. 9	No. 10
<b>PAT</b> (₹ million)	392	127	126	20	25	70	119	33	39	92
<b>Total lives covered</b> (million units)	121	97.4	46.6	5.4	44.6	41.5	72.5	2.6	2.8	54.9
<b>Total premium serviced</b> (₹ million)	87,160	44,370	47,270	10,990	15,150	23,480	19,780	12,420	11,150	10,890
<b>Total claims processed</b> (million units)	3.8	1.7	0.9	0.3	1.1	0.6	0.5	0.3	0.3	0.5
<b>Total value claims processed</b> (₹ million)	78,990	40,360	34,250	9,390	20,970	22,910	16,020	12,310	9,480	9,790
<b>Market share – Premium serviced</b> (retail + group) (%)	29.3%	12%	18%	4%	6%	7%	6%	5%	4%	4%

### Growth Drivers and Future Trends for the TPA Industry in the Indian Market



- Given that TPAs interact directly with the end customers, the leading TPAs have developed strong brand identities in the market. F&S expects the above factors to drive growth of the TPA industry in India. With central and state governments aiming at rapidly expanding health insurance coverage for economically weaker section of the population in the country, the size of health insurance market and consequently the TPA market is expected to expand rapidly. F&S foresees an approximately 21% year on year growth in the TPA market in India over the near to mid-term.
- Few insurance companies do not have their internal claims processing teams and hence outsource their claims processing to the TPAs. These insurers are a good business opportunity for TPAs. In addition, such insurers can tie up with TPAs for using their provider network in exchange of a fee. These factors are expected to drive the growth of TPA players in India over next three to five years.
- F&S perceives a slow but steady trend in the market of bringing in outpatient healthcare expenses under the purview of health insurance. Given that outpatient claims are volume driven and require a strong network of primary healthcare providers, the role of TPAs is expected to strengthen.
- Leading TPAs in India have started offering services such as corporate wellness management, industrial occupational health management along with multiple health benefit services.



- The corporate wellness and health management programs are also a precursor to the eventual expansion of health insurance coverage from hospitalization only to comprehensive cover.
- Appropriate technological innovation will be one of the key factors for TPAs to hold and strengthen their dominating position in the Indian health insurance market.
- TPAs have started offering digital claim processing services reducing the documentation hassles for policyholders.
- TPAs in addition to carrying out the routine claim processing activities are expected to take over managing and monitoring the medical portion of employee compensation claims, monitoring medical costs, ensuring proper utilization of health and wellness services and monitoring medical needs and level of care.

### **Future of Health Insurance Driven by TPAs**

#### ***TPAs Act as a Single Stop Shop for Patients and Providers***

In order to fulfil divergent expectations, TPAs act as a single stop shop solution for patients and providers by getting involved in publicity and population mobilization activities for the scheme creating much needed awareness among different stakeholders.

TPAs play an important role in this regard providing a healthcare delivery network ensuring that end user as primary beneficiary.

In continuation to their service towards patients, TPAs strongly focus on provider network management where they timely negotiate with large providers and numerous small scale providers on different parameters like standards and quality of offered healthcare services, billing and payments system and discounts. In addition to these tasks, TPAs are also responsible to build a hospital network for cashless services keeping in view of its growing demand.

Continuous digital disruptions are a key catalyst in triggering frequent changes in the healthcare insurance industry. It has provided opportunities for health insurance companies to reach out to a much larger customer base that exists beyond the larger cities in India, as well as to target lower income populations with suitable services.

Currently, insurance companies are further seeking an opportunity to fast track the digital journey across their business by leveraging the significant investments into IT and platforms made by TPA service providers.

#### ***Leveraging Tools to Drive Operational Efficiency and Cost Efficiency as TPAs***

*Increasing digital customer engagement:* This can policyholders to interact with a company's customer service centre using their own choice of digital medium providing comfort, flexibility and responsiveness across a broad range of demographics.

*Moving towards paperless environment:* Digital customer interactions delivering information through different mediums such as IVR, SMS, email and dedicated customer portals.

*Generation of quality insights:* With their unique advantage of having access to claims and policy data, digital TPAs can provide quality insights and help in creating better analytical models.

*Building platform ecosystem:* Higher investments by digital TPAs for building the platform ecosystem which can include integrated "plug and play" third-party or proprietary applications.

*Helpful in quick product launches:* Leveraging data through different digital mediums can be helpful in quick product launches targeted on changing customer needs.

#### ***Adapting to New Business Models in Post-COVID 19 Era as TPAs***

On the regulatory front, IRDAI has asked non-life companies to mandatorily offer standard COVID-19 health insurance policies to the population. In order to ensure protection against COVID-19 related medical expenses to

large number of people, IRDAI has allowed both life and non-life companies to offer optional defined benefit plans and short-term health insurance plans at an affordable rate. Two major regulatory changes brought by IRDAI impacting TPAs are as follows:

- Cashless treatment decisions will have to be communicated to the hospital within two hours from the time of the receipt of authorization request.
- Final discharge decisions shall be communicated to the network provider within 2 hours from the time of receipt of final bill and last necessary requirement from the hospital either to the insurer or to the TPA, whichever is earlier.

Development of smart mobile apps and varied digital platforms can help in better serving of self-sufficient consumers - a new class of consumers which is expected to rise strongly in the post COVID-19 world. “One size, fits all” strategy adopted by traditional TPAs has to be eliminated and pave way for more flexible execution based approach based on characteristics of the insurance company.

### ***Mergers and Acquisitions in the TPA Industry***

In the last decade, the TPA industry in India has seen significant mergers and acquisitions activity. In 2007, Swiss Re – a global leader in re-insurance – bought a 26% stake in TTK Healthcare. In 2017, the largest TPA company of India, Medi Assist acquired Mumbai-based TPA Dedicated Healthcare Services. In 2021, Vidal Health TPA acquired Vipul Medcorp TPA. The merged entity of Vipul Medcorp with Vidal Health is expected to be the second largest third-party administrator in the Indian insurance sector. Vipul Medcorp has been a retail-focused player, while Vidal Health has considerable presence in public health schemes such as Ayushman Bharat Yojana. This merger will help the new entity to have presence in all sections of health insurance.

Technology is playing a major role in the TPA industry, with the majority of leading TPAs harnessing technology for the efficient processing of the claims. TPAs will need a considerable scale of claims processing to make necessary investments in new age technologies. This is expected to bring a wave of consolidation in the TPA industry, leaving only three to five players in this space who are able to adapt to changes in the industry. These will in-turn benefit the market leaders, with fewer TPAs competing with them for their business.

## OUR BUSINESS

*We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, many of which may not be derived from our Restated Financial Statements or otherwise be subject to an examination, audit or review by our auditors or any other expert. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. For the purposes of this section, for certain analyses we have used historical methodologies and internal categorizations to enable a consistent representation of our business. For example, “private health insurance” includes retail and corporate health insurance and excludes Government and public health schemes. Such information may vary from similar information publicly disclosed by us in compliance with applicable regulations in India. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*Our financial year ends on March 31 of each year, so all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

*The industry-related information contained in this section is derived from the F&S Report. We commissioned and paid for the F&S Report for the purposes of confirming our understanding of the industry in connection with the Offer. None of our Company, Selling Shareholders, BRLMs or any other person connected with the Offer, have independently verified the information in the F&S Report or other publicly available information cited in this Draft Red Herring Prospectus. In this section, unless the context means otherwise, the term revenue refers to our Total Income for the relevant year.*

### Overview

We are a technology-led company that plays a crucial role in the health insurance ecosystem. We are India’s largest health benefits administrator in terms of revenues and premium serviced for health insurance policies for the financial years 2018, 2019 and 2020. (Source: F&S Report). While under the TPA Regulations, our primary clients are insurance companies, we also serve as an intermediary between (a) general and health insurance companies and the insured members (under retail, corporate and insurance backed public health insurance policies), (b) insurance companies and healthcare providers (such as hospitals), and (c) the Government and beneficiaries of public health schemes. We managed ₹ 78,295 million of health insurance premiums for the financial year 2020, and also had market shares of 17% of the private health insurance market and of 29% of the private health insurance market serviced by health benefits administrators in India, based on premium under management for the financial year 2020. (Source: F&S Report)

Our technology-driven infrastructure and services are custom-built and are integral to the operations of insurance companies, hospitals, insurance brokers and insurance agents. Our technology infrastructure is scalable, customized, comprehensive, easy to use and secure. Our services benefit the members of the health insurance ecosystem and we offer:

- Insurance companies: Seamless exchange of insured member and claims information, claims processing, fraud detection, management of cashless healthcare provider network, enabling final payout to the insured members and hospitals and data analytics, among others.
- Corporate accounts and employees: Policy enrolment, beneficiary data management, administration of flexi-benefits, pre-authorization to avail policy benefits, customized integration with the corporate intranets, scheduling appointments, submission and reimbursement of claims and cashless claim settlement, among others.
- Individual policy holders: Management of insurance coverage and other benefits, pre-authorization to avail policy benefits, schedule appointments, submission and reimbursement of claims, cashless claim settlement, among others.
- Healthcare providers: Submission and processing of pre-authorization requests, claims submission and tracking, dashboards across claims, payment reconciliation and tracking, among others.

- Insurance brokers: Dashboards, insights and other information for relevant corporate accounts, subject to approval of the corporate accounts and insurance companies, among others.
- Insurance agents: Online tracking of their customers – enrolment, e-card downloads, claims submission and status, and renewal of policies, among others.

We are the largest health benefits administrator in India for corporates in terms of premium serviced for the financial years 2018, 2019 and 2020. We serviced over 7,800 corporate accounts across sectors to help administer the insurance requirements of their employees, and as of March 31, 2020, we managed ₹ 62,439 million of corporate premium, representing 24% of the overall corporate health insurance market in India and 36% of the corporate health insurance market serviced by health benefits administrators. *(Source: F&S Report)* For the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, our revenues attributable to our corporate accounts portfolio were 66%, 63%, 61% and 65% of our revenue from operations, respectively.

We also service individual insurance policyholders and as of March 31, 2020, we managed ₹ 15,857 million of premium for the financial year 2020, representing 8% of the overall retail health insurance market in India and 17% of the individual health insurance market serviced by health benefits administrators. *(Source: F&S Report)* For the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, our revenues attributable to our retail portfolio were 14%, 19%, 17% and 16% of our revenue from operations, respectively.

Over the years, we have developed a pan-India healthcare provider network, which comprises over 11,000 hospitals across 722 cities and towns, as of March 31, 2020. During the financial year 2020, we helped settle 3.77 million claims worth ₹ 78,993 million, comprising in-patient claims worth ₹ 75,605 million and domiciliary or out-patient claims worth ₹ 3,388 million. Due to the size and scale of our operations and our contracting capabilities, we are able to negotiate discounted rates with hospitals for the benefit of insurance companies and insured members.

We have an established track record of delivering robust financial results. Our total income has grown at CAGR of 17% between the financial years 2018 and 2020. Our total income was ₹ 2,415.79 million, ₹ 2,811.69 million, ₹ 3,304.07 million and ₹ 2,574.44 million for the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, respectively. For the same periods, our Adjusted EBITDA was ₹ 860.64 million, ₹ 868.43 million, ₹ 935.56 million and ₹ 791.47 million, and our profit after tax from continuing operations was ₹ 438.77 million, ₹ 329.74 million, ₹ 391.71 million and ₹ 380.88 million, respectively. Further, our return on net worth from continuing operations was 21.15%, 14.99%, 18.25% and 15.39% (not annualised) for the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020.

## **Our Strengths**

### **Well-positioned to capture favourable industry dynamics**

According to the F&S Report, India's health insurance gross domestic premium income has grown at a CAGR of 20% over the past five years, reaching ₹ 508 billion in financial year 2020. The market is expected to reach ₹ 1,304 billion by financial year 2025, implying a 21% growth over the next five years.

Further, according to the F&S Report, only 10% of India's population is covered under a health insurance policy (excluding public schemes). This number is expected to increase to 17% by financial year 2025, driven by increased employment by corporates, higher awareness of the need for insurance and better distribution. In addition to the growth in lives covered, premium per life is expected to increase at a CAGR of 9% over the next five years (from ₹ 3,346 in financial year 2020 to ₹ 5,054 in the financial year 2025), driven by rising healthcare costs, increased benefits coverage offered by corporates and the need for insurance companies to reduce their claims ratio. *(Source: F&S Report)*

Despite the economic downturn in the financial year 2021, as a result of COVID-19, gross domestic premium income during the nine months ended December 31, 2020 grew by 15% over the corresponding period last year. COVID-19 has increased awareness about the need for adequate health insurance and this is expected to provide further tailwinds to the sector. *(Source: F&S Report)* As a result of our leading market position, scalable technology-enabled ecosystem, longstanding and numerous relationships with insurers and corporates, we are well positioned to benefit from this growth.

## Largest Health Benefits Administrator in India

We are India's largest health benefits administrator in terms of revenues and premium serviced for health insurance policies for the years ended March 31, 2018, 2019 and 2020. (Source: F&S Report) The following tables set forth details of our premium under management and market share for the periods indicated:

Category	Financial Year 2018	Premium Under Management (₹ in million)		
		Financial Year 2019	Financial Year 2020	Nine Months ended December 31, 2020
Corporate Accounts Portfolio	44,587	52,415	62,439	67,900
Retail Portfolio	10,078	14,448	15,857	14,975
<b>Total Private</b>	<b>54,665</b>	<b>66,863</b>	<b>78,295</b>	<b>82,875</b>

Category	Overall Market Share (%)		Share of Market Serviced by TPAs
	Financial Year 2020	Nine Months ended December 31, 2020	Financial Year 2020
Corporate Accounts Portfolio	24%	26%	36%
Retail Portfolio	8%	6%	17%
<b>Total Private</b>	<b>17%</b>	<b>17%</b>	<b>29%</b>

(Source: F&S Report)

For the financial year 2020, our premium under management (for our corporate and retail portfolios) was higher than the health insurance GDPI of all, except one, general and health insurance companies in India. (Source: F&S Report) Our premium under management (for our corporate and retail portfolios) was ₹ 82,875 million as of December 31, 2020. We serviced 21.64 million lives and 24.05 million lives under private health insurance as of March 31, 2020 and December 31, 2020, respectively.

For the financial year 2020, our total revenues accounted for 25%, our EBITDA accounted for 48%, and our profit after tax from continuing operations accounted for 44%, of the Indian health benefits administration industry revenue, EBITDA and profit after tax, respectively. For the financial year 2019, our total revenues accounted for 22%, our EBITDA accounted for 46%, and our profit after tax from continuing operations accounted for 38%, of the Indian health benefits administration industry revenue, EBITDA and profit after tax, respectively. (Source: F&S Report)

We believe that our market-leading position as India's largest health benefits administrator enhances our ability to benefit from the fast-growing health insurance industry, enhances our profitability and strengthens our value proposition to our customers due to increasing economies of scale, ability to invest in cutting edge technology and better scale for negotiating with hospitals.

## Scalable Technology-Enabled Infrastructure addressing the needs of all constituents of the Health Insurance Ecosystem

We believe that technology has been, and will continue to be, vital to our success and continued growth. Our ability to simultaneously deliver significant value to all constituents of the health insurance ecosystem is deeply rooted in our own purpose-built, modernised, scalable technology platforms and applications that power all aspects of our operations, including engaging insured members, hospitals, insurance companies, insurance brokers and agents, corporate accounts, and advancing our business objectives efficiently and promptly. Our technology infrastructure is scalable, customised, comprehensive, easy to use and secure. We offer several portals, applications, third party platform connectivity and interfaces. Our technology ecosystem is based on the four prongs described below.

### Cost Leadership

We use technology, including leveraging our domain expertise and scale, to continuously improve our operational efficiencies. For example, our technology platforms have enabled us to steadily increase our volume of transactions and lives managed without having to correspondingly increase our employee base, thus optimising operating expenses and driving profitability in the past few years.

The following table sets forth details of the premium and lives serviced for the corporate and retail business (i.e.

excluding government business) for the periods indicated:

Particulars	Financial Year 2018	Financial Year 2019	Financial Year 2020	Nine Months ended December 31, 2020
Premium serviced per average head count ( <i>₹ in million</i> )	20.05	21.03	23.25	26.28
Lives serviced per average head count	6,342	6,100	6,369	7,628

As a result of our technology-based initiatives, our revenue per average head count on non-government contracts has steadily increased, i.e., ₹ 0.68 million, ₹ 0.71 million and ₹ 0.74 million for the financial years 2018, 2019 and 2020 respectively. Our revenue per life (excluding government business) was ₹ 107, ₹ 116 and ₹ 116 for the financial years 2018, 2019 and 2020 respectively.

### Insurer Benefits

On our portals, insurance companies have real-time access to claims processed and can view documents submitted and queries raised, among others. They can study trends, compare historical performance, conduct analysis and make informed decisions to optimize their health benefits portfolio. A total of 20 public sector and private insurance companies have integrated with our platform as of December 31, 2020.

One example of our direct benefits to insurers is how we have begun to utilize artificial intelligence and machine learning to augment our fraud detection capability. These artificial intelligence and machine learning tools have been deployed as a pilot at a private insurance company, and have been able to achieve a success rate of 17% in detection of fraudulent claims during the nine months ended December 31, 2020. The total value of savings on account of detection of frauds and abuse detected by us was ₹ 79.95 million, ₹ 215.27 million, ₹ 639.85 million and ₹ 858.09 million in the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020.

### Insured Member Experience

Our technology platforms offer to corporates and their employees enrolment and modification of beneficiaries, enrolment and administration of flexi-benefits, pre-authorization to avail policy benefits, customized and security integration with the corporate intranets, scheduling appointments, submission and reimbursement of claims and cashless claim settlement. It also offers to individual policy holders management of insurance coverage and other benefits, pre-authorization to avail policy benefits, schedule appointments, submission and reimbursement of claims and cashless claim settlement. For the financial years 2018, 2019 and 2020, in terms of amounts paid, we settled 58%, 60% and 61% of total corporate and retail claims through a cashless mechanism. During the financial years 2018, 2019 and 2020 and nine months ended December 31, 2020, our desktop platform was utilized by 1.86 million, 1.88 million, 2.18 million and 1.21 million users, respectively, while 0.45 million, 0.55 million, 0.64 million and 0.74 million users accessed our services using mobile applications during the same periods, respectively.

Our use of technology has also led to service efficiencies. For example, average turnaround time for pre-authorization claims (admission and discharge) has reduced from 100 minutes for the financial year 2018 to 32 minutes for the nine months ended December 31, 2020. Further, grievances as a percentage of claims for the nine months ended December 31, 2020 remained low and was 0.21%.

### Offerings for Healthcare Providers

We have deep integration with industry leading hospital portals. Healthcare providers utilise our integration with such portals for submission of pre-authorization requests, claims submission and tracking, dashboards across claims, payment reconciliation and tracking. For the nine months ended December 31, 2020, 76% of cashless claims submitted by hospitals were made online, as compared to 65% in the financial year 2018.

In addition, our technology platforms also provide us with the following benefits:

- minimal reliance on third party systems;
- end-to-end visibility and control of our various technology functions and applications has contributed to our

- high levels of core platform availability;
- ownership of our systems and software enables us to innovate and create new product features and deploy them to the market quickly;
- in-house technology expertise and ownership of our proprietary technologies enable us to integrate into other systems and services to enhance our competitive position;
- coupling in-house knowledge with our ability to customize our technology increases our ability to innovate for customers and merchants; and
- a scalable core platform which has been subject to ongoing investment and enhancement, assists us to realize economies of scale.

### Longstanding Relationships with a Majority of Indian Insurance Companies

While we interact with a large number of participants in the health insurance ecosystem, we generate revenues predominantly from the health and other general insurance companies. Over the years, we have leveraged our domain expertise of the Indian health insurance ecosystem to establish, build trust and strengthen our longstanding relationships with these insurance companies. As of December 31, 2020, we provided health benefits administration services to 26 of the 32 general insurance companies, six life insurance companies and one overseas insurance company. We believe that insurance companies benefit from our diverse range of services that enable among other things, seamless integration of systems using technology for transfer of insured member and claims information, faster processing of transactions to target a satisfactory user experience for the insured members, and hence retention of such members, accurate processing of claims in accordance with the policy terms, assistance with control of costs on account of fraud detection and the discounted packages and preferential rate contracts that we have with hospitals, and provide insurance companies with data analytics and insights to help manage their products, pricing, marketing and other operations effectively.

We have developed a longstanding client base of insurance companies where our clients trust us and rely on the services we provide, our technology infrastructure and expertise built over several years of experience for day-to-day aspects of their businesses. The average term of our relationship with the four public sector insurance companies was 18 years and with 22 private sector insurance companies was nine years, as of December 31, 2020. Our share of core benefits administration premiums under management from private insurance companies has increased from 14% in the financial year 2018 to 22% in the financial year 2020.

### Diversified base of Corporates Accounts with Longstanding Relationships

We have developed a diversified base of corporates whose health insurance requirements we service and have established longstanding relationships with them. We serviced over 7,800 corporate accounts with premium under management of ₹ 62,439 million for the financial year 2020. Premium managed for corporate accounts has grown at a CAGR of 18% between the financial years 2018 and 2020. Our corporate premiums managed was higher than the corporate health insurance GDPI of, all except one, general and health insurance companies in India. (*Source: F&S Report*) Our market share of total corporate premiums has increased from 25% in the financial year 2018 to 26% in the nine months ended December 31, 2020, while our market share of the corporate premiums serviced by benefits administrators was 36% in the nine months ended December 31, 2020. (*Source: F&S Report*) Further, the premium under management for our 10 largest corporate accounts has increased from ₹ 19,686 million for the financial year 2018 to ₹ 25,269 million for the financial year 2020 at a 12% CAGR. Further, the average number of top-up lives added per corporate employee serviced by us has increased from 0.08 in the financial year 2018 to 0.26 during the nine months ended December 31, 2020.

We service 50% of the Nifty 50 companies and 41% of the BSE 500 companies. The following table sets forth details of the number of corporate accounts that we serviced for different index benchmarks, as of December 31, 2020:

Index	Percentage of corporate accounts serviced	Index	Percentage of corporate accounts serviced
Nifty 50	50%	Nifty IT	70%
BSE 500	41%	Nifty Media and Entertainment	30%
Nifty Auto	60%	Nifty Metals	40%

Index	Percentage of corporate accounts serviced	Index	Percentage of corporate accounts serviced
Nifty FMCG	40%	Nifty Oil and Gas	40%
Nifty Financial Services	50%	Nifty Pharma	55%

We have a longstanding base of corporate accounts, and we retained 98%, 98%, 97% and 96% of our 50 largest corporate accounts based on premiums serviced during the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020. During the financial years 2019 and 2020, as well as the nine months ended December 31, 2020, we retained 90%, 94% and 95% of all our corporate accounts based on premiums serviced, respectively. In addition, historically, amongst our 50 largest corporate accounts across the financial years 2019 and 2020 and the nine months ended December 31, 2020, we retained corporate accounts despite a change in the insurance provider in 31 instances. The average term of our relationship with our 10 largest corporate accounts by premiums serviced was 8.8 years, as of December 31, 2020.

We witnessed an increase in our market share on account of the addition of ₹ 5,510 million, ₹ 6,427 million, ₹ 5,306 million and ₹ 6,167 million new premiums under management during the financial years 2019 and 2020, and the nine months ended December 31, 2019 and December 31, 2020, respectively. Of this, ₹ 1,992 million, ₹ 2,026 million, ₹ 1,881 million and ₹ 2,329 million were secured from private sector insurance companies, respectively. Further, the contribution of fees from our 10 largest corporate accounts by premiums serviced to total third party administration fees reduced from 28% for financial year 2018 to 24% for financial year 2020, showing a steady decline in our customer concentration.

#### **Attractive Contracts with a pan-India Healthcare Provider Network**

We have developed a pan-India healthcare provider network, which comprised over 11,000 hospitals in India as of March 31, 2020. During the financial years 2018, 2019 and 2020 we processed claims amounting to ₹61,791 million, ₹73,980 million and ₹78,993 million of claims across all providers (including those not on our network), showing a steady growth in the number of claims processed by us. Further, for the financial year 2020, 9%, 7%, 5%, 3% and 3% of the hospital revenues of Apollo group, Manipal group, Fortis group, Max group and Narayana Health, respectively, was attributable to claims processed by us. (*Source: F&S Report*)

We have been able to enter into discounted rates and preferential packages with hospitals on account of our market leading position, technology platforms and large volume of claims administered. Such arrangements benefit the insurers and the insured by controlling medical cost inflation. Our cashless claims payout inflation between financial years 2018 and 2020 grew at a CAGR of 3.7% as compared to the overall medical inflation in India that grew at a CAGR of 9.3%. (*Source: F&S Report*) As a result of our favourable network pricing and tariffs, 21 general and health insurance companies avail of our contracted rates across our provider network, 13 of which exclusively use our network. The total value of savings for insurance companies on account of using our discounted rates without package was ₹ 1,317 million, ₹ 1,723 million and ₹ 1,565 million in the financial years 2019 and 2020 and the nine months ended December 31, 2020. Our contracting approach also involves negotiating “packages” for commonly used medical procedures or surgeries, with hospitals in our network. Our average payout under these contracted packages for 50 common procedures across 11 cities (four metros, Bengaluru, Hyderabad, Pune, Navi Mumbai, Noida, Ghaziabad, Gurgaon) was 13% lower than our average payout for these procedures under our non-contracted cashless claims in these locations.

#### **Experienced Management Team and Marquee Shareholders**

Our management team has extensive industry experience, with a demonstrated ability to grow and diversify our business and innovate our services. Dr. Vikram Jit Singh Chhatwal, our Chairman and Whole-time Director, has over two decades of experience in the healthcare services industry and has previously been associated with Apollo Health Street Limited, Indraprastha Apollo Hospitals, Reliance Capital Limited and Advent India PE Advisors Private Limited. Our Whole-time Director and Chief Executive Officer, Satish Gidugu has over 22 years of industry experience; our chief business officer, Nikhil Chopra has over 15 years of experience in sales and business development; our chief operating officer, Avaneesh Akhouri, has over 23 years of experience in business operations; our chief technology officer, Himanshu Rastogi, has over 18 years of experience in information technology; and our chief financial officer, Mathew George has over 25 years of experience in finance. Our key managerial personnel have an average work experience of over 21 years and have been with us for over 5 years. We believe that the knowledge and experience of our senior and mid-level management team members provide



us with a significant competitive advantage as we seek to grow our business.

Our marquee shareholders include affiliates of Bessemer and Investcorp. We expect to continue to benefit from strong capital sponsorship and professional expertise of our marquee shareholders. In addition to assisting us with capital raising and strategic business advice, our shareholders have assisted us in implementing strong corporate governance standards, which we believe have been critical to the growth of our business.

## **Our Strategies**

### **Maintain our Leadership Position among Corporate Accounts**

We employ a three-prong strategy to ensure our leadership position among corporates.

- Our primary focus is to offer to the insured members a satisfactory user experience, as we believe that member satisfaction is a key driver to maintain our leadership position. We have a technology-based culture that focuses on the relentless improvement of every measurable point of user experience. We also focus on corporate account retention by continuously enhancing the scope of our service offerings and further deepen integration with our constituents.
- For our corporate accounts, our focus over the years is also our ability to control medical inflation, and consequently the insurance premiums required to be paid by corporates.
- Finally, increase the share of key accounts from leading insurance brokers, including online only insurance brokers.

### **Grow our Market Share in the Retail Portfolio**

We seek to grow our market share in the retail portfolio through three key initiatives:

- We plan to continue to increase the number of insurance companies we service as part of our retail portfolio. During April 2017, we used to work with five insurance companies in our retail portfolio, whereas as of December 31, 2020, we work with 11 such insurance companies. We plan to do this by (a) offering modular services to the large private insurance companies, e.g., access to in-patient network and rates, access to out-patient network and rates, claims processing and technology; and (b) demonstrating satisfactory performance in selected portions of their portfolio (e.g. bancassurance and COVID-19 policies).
- We aim to increase our share of business with the insurance companies where we currently service retail policyholders by demonstrating superior performance versus competitors on key metrics such as medical inflation, and customer experience.
- Through engagements with insurance agents, we intend to increase the number of individuals serviced by us. We target to:
  - Increase the usage of our agent portal by leading individual and corporate insurance agents and become a preferred health benefits administrator for their customers. Our portal enables such agents to enrol their customers, remind them to renew their insurance policies, avail healthcare services and facilities, track pre-authorization requests, and track claims and engage with their customers.
  - Work with insurance web aggregators and integrate them with our portal, which we believe will allow them to offer differentiated customer service and tap into new revenue streams.
  - be the recommended third party administrator of banks during their sales of health insurance to their retail customers.
- Through engagements with insurance brokers and corporate agents, we aim to grow our business as a preferred service provider.

### **Expand our relationships with digital insurance companies, web aggregators and digital insurance brokers**

According to the F&S Report, the Indian health insurance industry is seeing the emergence of insurance companies that are predominantly focused on digital or online modes of acquiring and servicing customers. We believe we are well positioned to benefit from business relationships with such companies given our strong technology

platform and ability to integrate seamlessly with their systems and platforms. We believe this enables such companies to offer differentiated customer service, as well as tap into new revenue streams such as financing out of pocket expenditure of policyholders. Navi General Insurance Company Limited (formerly known as DHFL General Insurance Company Limited) has entered into a relationship with us to be the benefits administrator for their general insurance, healthcare and ancillary services for fees to be claimed and received from the general insurance business of Navi General Insurance Limited. We will continue to expand such relationships and increase the number of individuals serviced by us at such digital insurance companies.

We also intend to enter into agreements with web aggregators who sell insurance policies across insurers. We believe that integration with technology-focused companies like us, enables them to service the policyholders' requirements beyond the initial purchase and, thus, allows them to control the customer experience end-to-end. According to the F&S Report, the Indian market has also seen new business models emerging for insurance brokers where companies have created online only models to sell insurance products to corporates. We believe we are a preferred technology partner for these companies and intend to continue to expand our relationship with such companies to capitalize on our business model and our technology platform and capabilities.

### **Pursue Inorganic Growth Opportunities**

Technology plays a major role in the TPA industry and a majority of the leading TPAs are harnessing technology for efficient processing of the claims. Technology and scale will become the key differentiators to operating in this industry, and which is where larger TPAs will benefit and drive consolidation, leaving only three to five players who are able to adapt to changes in the industry. *(Source: F&S Report)*

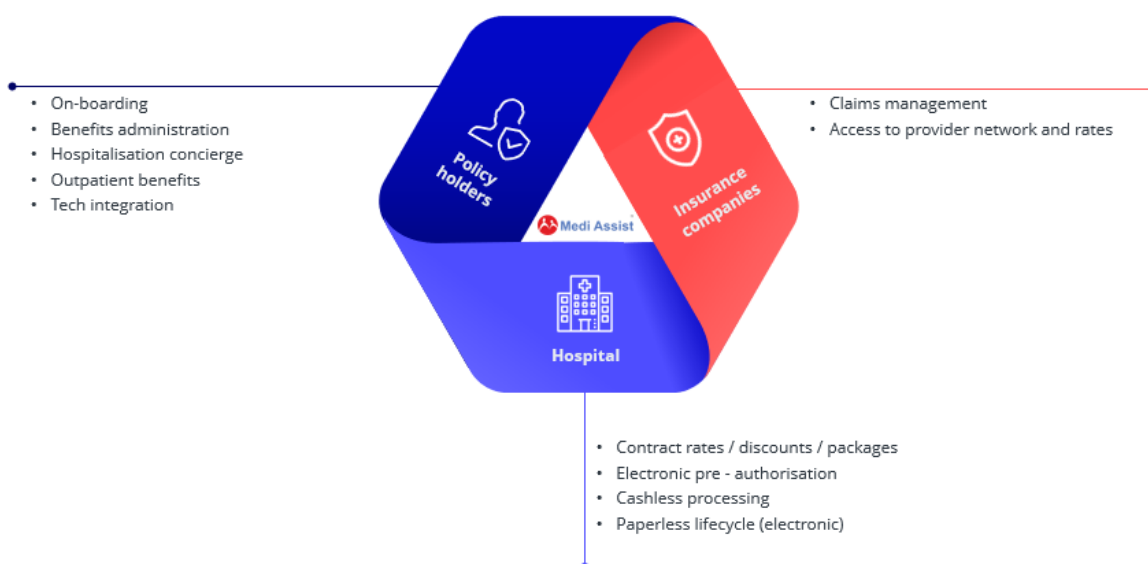
We intend to pursue acquisition opportunities to expand our existing service offerings, increase market share in existing markets or to expand to new geographies. For example, in October 2016, we acquired Dedicated Healthcare Services TPA (India) Private Limited. We were able to successfully integrate such business with ours and realize anticipated growth opportunities and synergies from combining the businesses leading to an increase in the premiums and lives services pursuant to the acquisition. The premiums associated with the 15 largest corporate accounts secured by virtue of this acquisition have grown at a 10% CAGR since the acquisition. In addition, in 2018, we acquired the TPA business of Medicare Insurance TPA Services (India) Private Limited. This acquisition enabled us to service the retail portfolio of two private sector insurance companies. As of December 31, 2020, the retail policyholder lives we service for these insurers has grown at a CAGR of 94% and 44% since financial year 2019.

We also intend to broaden our service offerings to corporate accounts that have employees located or travelling outside India. We will also continue to evaluate opportunities to acquire smaller benefits administrators that add to our corporate account relationships. In addition, we intend to actively pursue the acquisition of captive in-house claims processing teams of insurance companies.

### **Continue to Enhance our Technology Platforms**

We believe that through significant investments in our technology infrastructure, we have been able to increase our operational efficiencies and achieve economies of scale. We also believe that such initiatives will continue to drive cost efficiencies for all constituents and help consolidate our leadership position. Our technology roadmap comprises four key objectives:

- **Cost leadership:** We will continue to automate our processes and focus on improving the speed and accuracy of transactions, to improve cost efficiencies and enhance scalability.
- **Insurer benefits:** We utilize artificial intelligence and machine learning to augment our fraud detection capability. We intend to continue to increase the scope of these tools and other systems to reduce fraud, waste and abuse. Further, the volume of data available with us, enables us to offer insurers data analytics for development and pricing of products.
- **Insured member experience:** We have technology infrastructure that is scalable, customized, comprehensive, easy to use and secure. We continue to use research-based planned initiatives to improve our infrastructure and insured member experience.
- **Healthcare provider outcomes:** We aim to continue to reduce reimbursement time periods, improve revenue reconciliation and effectively guide the insured members towards usage of specific hospitals to enable better capacity utilization for them.



## DESCRIPTION OF OUR BUSINESS

We are a technology-led company that plays a crucial role in the health insurance ecosystem. While under the TPA Regulations, our primary clients are insurance companies, we serve as an intermediary between (a) general and health insurance companies and the insured members, (b) insurance companies and healthcare providers (such as hospitals) and, (c) the Government and beneficiaries of public health schemes. We are India's largest health benefits administrator in terms of revenues and premium serviced for health insurance policies for the financial years 2018, 2019 and 2020. (Source: F&S Report)

While we interact with a large number of participants in the health insurance ecosystem we generate revenues from the health and other general insurance companies. The following table sets forth select details of our 10 largest insurers based on premium under management for the periods indicated:

Insurer	Length of relationship (in years)	Premium under management for the Financial Year	
		2018 (in ₹ million)	2020 (in ₹ million)
The New India Assurance Company Limited	19	24,337	37,179
United India Insurance Company Limited	18	11,192	10,701
National Insurance Company Limited	17	6,983	6,828
The Oriental Insurance Company Limited	18	4,543	6,355
A leading private sector insurance company	5	2,746	4,104
A leading private sector insurance company	8	94	3,652
A leading private sector insurance company	16	100	2,156
A leading private sector insurance company	14	930	1,955
A leading private sector insurance company	8	417	1,188
A leading private sector insurance company	14	125	1,064

The following table sets forth the growth of our corporate and retail accounts premiums as of the periods indicated below:

Period	Corporate and retail premiums under management (in ₹ million)
Financial year 2011	11,092
Financial year 2012	13,914
Financial year 2013	18,240
Financial year 2014	21,032
Financial year 2015	27,825
Financial year 2016	32,096
Financial year 2017	39,640
Financial year 2018	54,535
Financial year 2019	66,732

Period	Corporate and retail premiums under management (in ₹ million)
Financial year 2020	78,152
As on December 31, 2020	82,875

## OUR PORTFOLIO

### OUR CORPORATE ACCOUNTS PORTFOLIO

We work with corporates in a diverse range of industries and sectors to help administer the insurance requirements of their employees. Our corporate accounts premium managed increased from ₹ 44,587 million for the financial year 2018 to ₹ 62,439 million for the financial year 2020, and has grown at a CAGR of 18%. Our lives serviced for corporate accounts was 14.80 million, 15.44 million and 17.68 million during the financial years 2018, 2019 and 2020 respectively. For the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, our revenues attributable to our corporate accounts portfolio were 66%, 63%, 61% and 65% of our revenue from operations, respectively.

The following table sets forth select details of our 10 largest corporate accounts based on premium under management for the periods indicated:

Corporate Account	Length of relationship (in years)	Premium under management for the Financial Year 2018 (in ₹ million)	Premium under management for the Financial Year 2020 (in ₹ million)
A leading IT/ITES company	More than 15	7,584.0	9,230.4
A leading conglomerate	12	1,361.3	2,880.0
A leading IT/ITES company	4	2,726.9	3,048.3
A leading banking association	5	3420.0	3,198.9
A leading IT/ITES company	More than 15 years	1,198.4	1,853.4
A leading IT/ITES company	More than 15 years	1,323.0	1,562.8
A leading IT/ITES company	3	-	793.0
A leading Indian bank	6	505.4	782.6
A leading IT/ITES company	7	855.6	1,018.0
A leading defence company	6	711.7	901.2

### OUR RETAIL PORTFOLIO

We service individual insurance policyholders and act as the intermediary between the insurance companies, hospitals and the insured members. Our retail premium managed increased from ₹ 10,078 million for the financial year 2018 to ₹ 15,857 million for the financial year 2020, and has grown at a CAGR of 25%. Our lives serviced for retail policyholders was 2.50 million, 4.00 million and 3.97 million during the financial years 2018, 2019 and 2020 respectively. Subsequent to the IRDAI regulations that enabled choice of the benefits administrator for policyholders, our market share of PSU retail insurance business was 10%, 11% and 12% in the quarters ended June 30, 2020, September 30, 2020 and December 31, 2020 respectively. (Source: F&S Report) For the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, our revenues attributable to our retail portfolio were 14%, 19%, 17% and 16% of our revenue from operations, respectively.

The following table sets forth select details in relation to the percentage of individuals serviced by us at four private insurance companies for financial year 2020 (Source: F&S Report):

Private insurance companies	Share (%)
Leading private insurance company	100
Leading private insurance company	94%
Leading private insurance company	71%
Leading private insurance company	24%

(Source: F&S Report)

## Government Schemes

We work with the Central Government, various State Governments and certain government agencies to administer public healthcare programs. As of March 31, 2020, we serviced 10 government-sponsored insurance schemes covering over 99 million lives. During the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, our revenue from operations attributable to servicing government-sponsored insurance schemes (excluding card processing) was 19%, 18%, 18%, and 16% of our revenue from operations, respectively.

## OUR CONTRACTUAL ARRANGEMENTS

We enter into contractual arrangements with insurance companies and corporates to provide our services. Our contractual arrangements with insurance companies are usually for a term of one to five years, which may be renewed at the sole discretion of insurance companies. Similarly, our contractual arrangements with corporates are usually for a period of one year. For further details of our services being offered, see “*-Our Other Services*” on page 144.

## OUR REVENUE GENERATION

Our income from yield from benefits administration services provided to our corporate account portfolio and retail portfolio is largely generated as a percentage of our premium under management, and does not exceed 5.5% of the premium under management. Our revenue per life serviced (excluding government business) was ₹ 107, ₹ 116 and ₹ 116 during the financial years 2018, 2019 and 2020, respectively. We usually generate revenues from servicing government-sponsored insurance schemes on a fixed fee per family per year basis or on a fixed fee per claim basis for services under such programs.

## LIVES SERVICED

The size of our business is also evident from the number of lives serviced. We serviced 16.90 million and 7.15 million lives under our corporate and retail portfolios, respectively, as on December 31, 2020.

## OUR TECHNOLOGY INFRASTRUCTURE

We believe that technology is vital to our success and continued growth. Our technology infrastructure is scalable, comprehensive, customized, easy to use and secure. Our technology platforms include our Medi Assist portal, mobile applications, third party platform connectivity and interfaces. Our technology-driven infrastructure and services are developed by us and assist the operations of insurance companies, hospitals, insurance brokers, insurance agents, insured members and corporates.

We categorize below our technology infrastructure by recipients.

- Insurance companies: Seamless exchange of insured member information, claims information, claims processing, fraud detection, enabling final payout to providers and data analytics. The insurance companies have real-time access to claims processed and can view documents submitted and queries raised, among others. They can study trends, compare historical performance, conduct analysis and make informed decisions to optimize the health benefits portfolio. Specific features include:
  - Exchange and update of insured member database, including information about change in beneficiaries, benefits availed, top-up coverage, change in amount insured;
  - End to end tracking of claims from initial registration, pre-authorization to the final discharge;
  - Enabling checks of claims as per insurer requirements often using tools developed by us;
  - Ability to finalize approved amounts and raise queries for each claim;
  - Fraud, abuse and waste detection, including use of artificial intelligence and machine learning tools to flag potential frauds;
  - Ability to authorize credit intimation of the claims credited to providers;
  - Live dashboards to track overall status across members, claims, policies and providers; and

- Monthly information system reports and insights on claims payouts.
- Corporate accounts and employees: Enrolment, changes and tracking information of the employee (including family members of the employee and top-ups and other voluntary benefits chosen by the employee), administration of flexi-benefits, pre-authorization to avail policy benefits, customized integration of templates with the corporate intranets, dashboards and insights for payroll, finance, corporate human resources and administration departments, scheduling appointments and health check-ups, submission and reimbursement of claims, cashless claim settlement at select hospitals and scheduling appointments. Specific features include:
  - Seamless enrolment, re-enrolment and collection of employee data, including of their family members who are beneficiaries of the policies, commencing before the insurance policy is up for renewal;
  - Communications and checks to ensure, among other things, accurate enrolment through SMS and email confirmations;
  - Provision of e-cards to the insured members;
  - Modification of enrolment data of insured members as new employees join, attrition of employees, addition or change of beneficiaries by employees;
  - Administration of flexible benefits plans offered by the corporates and/or insurers: while the base insurance plan is provided by the corporate, often flexibility is given to the employee to select additional benefits funded by the employer, employee, the insurer, or a combination thereof. This includes selection of optional or additional insurance cover, top-up policies, additional sums assured. Our technology ensures that the selection of benefits is in line with the applicable insurance policy;
  - Payment gateway integration for voluntary cover and benefits that employees opt for;
  - Insights for the corporate's team on the utilization of various benefits;
  - Live dashboard tracking status of all aspects of the health insurance benefits given to employees;
  - Inputs for the payroll and finance teams to process payouts, if applicable;
  - Assisting in voluntary enrolment and educational programs run by corporates, e.g., digital campaigns to drive parental and top-up enrolment (emailers, digital campaigns, videos, outbound calling to disseminate information, onsite educational camps);
  - Integration with corporate intranets to enable easy access and sign-on from the corporate's internal employee portal using same login and other credentials;
  - Enabling seamless access of features across desktop, mobile and mobile application interfaces whenever the employee needs to avail benefits;
  - Electronic pre-authorization: as we control the insured member and provider interfaces, members are able to initiate requests for a planned procedure or other requirement electronically, obtain electronic approval to proceed and secure admission to the hospital based on an OTP shown at the admissions counter at the hospital;
  - Electronic submission of reimbursement claims: employees can submit bills and documents online; with prior intimation, we also help the employees convert these claims to cashless claims where they intimate in advance;
  - Online submission of queries and tracking of requests, live tracking of claim status;
  - OPD claims: we provide a cashless OPD capability across a select network of pharmacies, hospitals and diagnostic chains; this enables members to avail health check-ups, doctor consultation and prescription based procurement of medicines, through a cashless mechanism facilitated by our technology and healthcare provider network; through our technology partners, we are integrated at the backend with pharmacies, diagnostic chains and doctors at leading hospital chains; and
  - Selection of hospitals offered for healthcare services, whose systems are integrated with our platform to offer such services – when an insured member chooses a service, we determine cashless allowance:

- Pharmacies would accept the prescription and send order to the us through the portal, we respond to indicate coverage and the amount of cashless payment, if any; the rest of the amount is collected from the insured member and the pharmacy delivers the products to the insured member;
  - Health checks offerings are visible to the insured members on the portal; insured members can select and add packages; and
  - OPD doctor consultation at hospitals, from procuring and scheduling the appointment to determining cost and cashless amount, including online consultation.
- Individual policy holders: Managing insurance coverage and other benefits, administration of flexi-benefits, pre-authorisation to avail policy benefits, scheduling appointments and health check-ups, submission and reimbursement of claims, cashless claim settlement at select hospitals and scheduling appointments. Specific features include:
  - Seamless enrolment and re-enrolment and communications and checks to ensure accurate enrolment through SMS and email confirmations;
  - Addition or change of beneficiaries;
  - Provision of e-cards to the insured members;
  - Assisting in voluntary enrolment and educational programs run by insurers, e.g., digital campaigns to drive parental and top-up enrolment (emailers, digital campaigns, videos, outbound calling to disseminate information, onsite educational camps);
  - Enabling seamless access of features across desktop, mobile and mobile application interfaces whenever the insured member needs to avail benefits;
  - Electronic pre-authorization: as we control the insured member and provider interfaces, members are able to initiate requests for a planned procedure or other requirement electronically, obtain electronic approval to proceed and secure admission to the hospital based on an OTP shown at the admissions counter at the hospital;
  - Electronic submission of reimbursement claims: insured members can submit bills and documents online; with prior intimation, we also help the employees convert these claims to cashless claims where they intimate in advance;
  - Online submission of queries and tracking of requests, live tracking of claim status;
  - OPD claims: we provide a cashless OPD capability across a select network of hospitals; this enables members to avail health check-ups, doctor consultation and prescription based procurement of medicines, through a cashless mechanism facilitated by our technology and healthcare provider network; and
  - Selection of hospitals offered for healthcare services, whose systems are integrated with our platform to offer such services – when an insured member chooses a service, we determine cashless allowance:
    - Pharmacies would accept the prescription and send order to us through the portal, we respond to indicate coverage and the amount of cashless payment, if any; the rest of the amount is collected from the insured member and the pharmacy delivers the products to the insured member;
    - Health checks offerings are visible to the insured members on the portal; insured members can select and add packages; and
    - OPD doctor consultation at hospitals, from procuring and scheduling the appointment to determining cost and cashless amount, including online consultation.
- Hospitals: Submission of pre-authorization requests online, claims submission and tracking, dashboards across claims, payment reconciliation and tracking. As of December 31, 2020, of the over 11,000 hospitals in our network, over 6,500 utilized our integration with online portals. Specific features include:

- Electronic submission and tracking of pre-authorization requests;
- Electronic claims submission and tracking;
- Post discharge submission of documents for reimbursement of approved amount;
- Publication of details about their facilities and services (e.g. location, contact details, services provided and their rates, package, room rent and nursing charges, details of the consultation and medicines, OPD services, facility for online booking of appointments) on our portals and mobile applications; and
- Live dashboard to track status across claims, payment status and revenue reconciliation.
- Insurance brokers: Dashboards, insights and other information for relevant corporate accounts subject to approval of the corporates and insurance companies.
- Insurance agents: Online tracking of their customers – enrolment, e-card downloads, claims submission and status, and renewal of policies.

Our technology platforms result in a simplified user experience for the insured members; helps insurance companies obtain faster and more accurate processing, increased detection of fraudulent cases, lowering medical cost inflation and providing better insights for product design and pricing; and assists hospitals with faster collections, revenue reconciliation, forecasting and better utilisation of their capacity. Our technology infrastructure enabled us to function as efficiently during the COVID-19 related lockdown and we processed 106,379 COVID-19 claims and transitioned over ₹ 6,167 million of new premiums under management for the nine month period December 2020. We also processed over 3.77 million claims and paid out claims under the private health insurance policies amounting to ₹ 78,993 million during financial year 2020. Further, as of December 31, 2020, 48,892 insurance agents and 106 brokers were registered on our portal.

For the financial years 2018, 2019 and 2020, we settled 58%, 60% and 61% of total corporate and retail claims through a cashless mechanism. The following table sets forth details of claims submitted online for the relevant periods:

<b>Period</b>	<b>Online Reimbursement Claims (%)</b>	<b>Online Cashless Claims (%)</b>	<b>Online Domiciliary Claims (%)</b>
Financial Year 2018	4	57	76
Financial Year 2019	20	69	75
Financial Year 2020	26	76	79
Nine months ended December 31, 2020	52	76	87

Our average turnaround time for pre-authorizations was 100 minutes, 77 minutes, 56 minutes and 32 minutes for the financial years 2018, 2019, 2020 and nine months ended December 31, 2020, respectively. Further, grievance as a percentage of claims for the financial years 2018, 2019, 2020 and nine months ended December 31, 2020 have remained low and was 0.12%, 0.11%, 0.12% and 0.21%, respectively. We utilize artificial intelligence tools such as machine learning algorithms in our systems based on the historic data so it applies logic and converts the art of random sampling to a scientific model so that there is a higher probability of finding frauds and our investigation department reviews more probabilistic claims for physical verification. Our technology costs and capital expenditure as a percentage of our revenue from operations was 5%, 3%, 3% and 2% during the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, respectively.

Some recent examples of enhanced use of technology by us include:

- Obtaining claims information from hospitals in electronic form;
- Straight-through processing of claims that meet certain pre-defined criteria; and
- Use of bots and other self-help tools to address queries – our voice calls received per hundred lives serviced has reduced from 15 in the nine months ended December 31, 2019 to 11 for the nine months ended December 31, 2020.



## OUR OTHER SERVICES

We provide a vast range of technology based services to insurance companies, corporates and their employees, individual policy holders, hospitals, insurance brokers, insurance agents. See “– **Information Technology Infrastructure**” Other non-technology based services (many of which are also provided on our platform and applications) to insured members include:

*Hospitalization services:* We provide insured members an option of choosing from a range of hospitals such as hospitals, day care centres and nursing homes for the purpose of seeking treatment for their ailments and benefits covered in their insurance policies. We also process claims of such insured members who have not opted for cashless services or who have availed treatment from hospitals outside our network.

*Call centre services:* We operate a call centre to assist insured members and have a dedicated toll free number for claim servicing and addressing general queries. We also provide alerts to insured members through auto generated SMS, Email, WhatsApp message facilities. During the financial year 2020, we answered 5.15 million calls of which 2.36 million calls related to public health schemes.

*Cashless facility:* Our cashless facility enables insured members to avail healthcare services with certain hospitals in our network.

*Customer relations and contract management services:* We have a dedicated team that obtains relevant documentation from insured members and addresses their grievances.

*Billing services:* We coordinate with hospitals to obtain bills for the services that they have provided to insured members and submit such bills to insurance providers after processing and verification, who in turn directly settle such amounts with the relevant healthcare provider.

*Claim processing services:* These services include receiving claim intimations from insured members, collecting and scrutinizing claim documents, issuing claim IDs, receiving pre-hospitalization and post-hospitalization claims and processing and settling such claims.

In addition, we provide the following services (many of which are also provided on our platform and applications) to other constituents of the health insurance ecosystem:

*Insurance companies:* We provide management information system reports to insurance companies periodically, which include information regarding enrolment, pre-authorization, claims settlement and re-imburement. We use business analytic tools to help improve the efficiency and utilization of their insurance products.

*Government schemes:* We service certain government-sponsored insurance schemes and assist with the enrolment of beneficiaries. We also undertake various initiatives to increase awareness of such public welfare programs. We facilitate the enrolment of insured members as per the eligibility criteria set out under the public healthcare program and distribute identification cards. We also periodically provide management information system reports to the relevant government agencies.

## CYBERSECURITY AND DATA PRIVACY

Our information technology security programs are designed to meet the stringent needs of our insurers, corporate accounts and other constituents, who entrust us with their sensitive information. Our information security program includes anti-virus monitoring, patch management, eliminating extreme risk aspects and ensuring compliance to disaster recovery run schedules.

We have adopted a comprehensive privacy policy and implemented strict data privacy and protection systems across our operations. We take proactive measures to ensure that our systems are adequately protected against external threats. In order to demonstrate our commitment to providing high quality services, data protection and compliance with privacy rules to our existing and future customers, we have undergone the process of accreditation by Intertek for ISO/IEC 27001:2013 Information Security Management Systems and general data protection compliance assessment.

Third party certification and client assessments are conducted periodically in order to check our systems for any shortfalls, as well as demonstrate our ability to consistently comply with requirements and augment our

capabilities. The information security and general data protection assessments have enabled us to develop efficient, performance oriented data protection and privacy standards. In order to ensure conformance to data protection and privacy, we have completed assessments to measure and verify our commitments on the availability, confidentiality and integrity of the information. To minimize our exposure to cyber-attacks, we check both the infrastructure and applications for vulnerabilities, including by undertaking penetration tests. As an additional security measure, third party tests are periodically conducted. We also run our business continuity drill once a year and ensure that critical applications are made available on our DR site with agreed upon down time. Our focus on process improvement approach has helped us streamline process improvement and decrease risks in our information technology infrastructure.

## QUALITY

We believe that maintaining high quality of service is critical to our brand and continued success. We place great emphasis on quality assurance. Our quality management systems are ISO 9001:2015 certified.

## HEALTHCARE PROVIDER NETWORK

We have developed a pan-India healthcare provider network, which comprises over 11,000 hospitals across 29 states and union territories in India, covering 2,696 pin-codes, as of March 31, 2020.

We have been able to enter into preferential rate arrangements with hospitals through discounted packages and preferential rate contracts on account of our market leading position, technology platforms and large volume of claims administered. The following table sets forth the value of cashless claims settled by public sector insurance companies and private sector insurance companies using our preferential or discounted rates for the periods indicated:

<i>(in ₹ million)</i>			
Insurance company	Financial Year 2018	Financial Year 2019	Financial Year 2020
Private sector insurance	1,220	3,512	5,483
Public sector insurance	10,076	11,818	11,339
<b>Total</b>	<b>11,296</b>	<b>15,330</b>	<b>16,822</b>

## OFFICE INFRASTRUCTURE

We service our insurer clients, corporate accounts and the insured members, among others, through our network of 45 offices spread across 18 states and union territories in India and employed 2,999 personnel, as of December 31, 2020.

## INTELLECTUAL PROPERTY

We have five trademark registrations under classes 35, 36, 41 and 44 of the Trade Marks Act, 1999. We have also made applications for registration of “Medi Assist” logo under several classes of the Trademarks Act 1999 and have also authorised our Subsidiary to use the logo, pursuant to a letter dated April 1, 2021. For further information, see “*Government and Other Approvals*” on page 303.

## COMPETITION

The markets for our services are highly competitive. We compete with a number of entities that provide similar services and are also licensed with IRDAI as third party administrators. We compete on the basis of a number of factors, including strength of our healthcare provider network, customer service, technological capabilities, and relationships with insurer clients and corporates.

## INSURANCE

We maintain insurance policies that we believe are customary for companies operating in our industry. Our principal types of coverage include cyber liability insurance, directors’ and officers’ liability insurance, crime insurance, IT errors and omissions liability insurance and commercial general liability insurance. We also

maintain a business protection insurance policy which covers against losses such as those occasioned by fire, earthquakes, terrorism, burglary and public liability.

## HUMAN RESOURCES

As of December 31, 2020, we engaged 2,999 personnel (of which 2,745 personnel were full-time employees), including personnel on contract. The following table sets forth the function wise split of our full time personnel as of December 31, 2020:

Function	Number of full time personnel
Operations	2,893
Provider network management	66
Business development	35
Corporate	5
<b>Total</b>	<b>2,999</b>

We undertake training programmes for our employees on a regular basis. In addition to compensation, that includes both salary and allowances, we provide our employees other benefits which include insurance coverage and medical reimbursements. As of December 31, 2020, 37% of our employees were women.

## AWARDS

Over the years, we have won several awards and accolades for our business and operational excellence. Some of the recent awards and accolades are provided below:

- India's Best TPA 2020 from Insurance Alerts in November 2020;
- Exemplary Performance under Chief Minister's Comprehensive Health Insurance Scheme and Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana from the Government of Tamil Nadu in January 2021;
- Silver Level - Healthy Workplace Award 2020 by Arogya World India Trust in 2020;
- Dream Companies to Work for and Best HR Strategy in line with Business by Karnataka Best Employer Brand Awards in 2020;
- Best Safe and Healthiest Place to Work Award by Arogya World in 2020; and
- Top Organizations with Innovative HR Practices by Asia Pacific HRM Congress in September 2019.

## PROPERTIES

Our registered and corporate office is located at Tower D, 4th Floor, IBC Knowledge Park, 4/1 Bannerghatta Road, Bengaluru 560 029, Karnataka, India. As of December 31, 2020, we had a network of 45 offices spread across 18 states in India.

## CORPORATE SOCIAL RESPONSIBILITY

We have adopted a corporate social responsibility policy in compliance with the requirements of the Companies Act 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by the Central Government. Our CSR initiatives are aimed towards supporting the treatment of the underprivileged, promoting healthcare awareness, as well as promoting education, livelihood enhancement and employment enhancing vocational skills.

## KEY REGULATIONS AND POLICIES IN INDIA

*The following is an overview of certain sector specific relevant laws and regulations in India which are applicable to the business and operations of our Company and our Subsidiary. The information available in this section has been obtained from publications available in public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions. The Insurance Act and the IRDA Act (as defined below) and the regulations thereunder are applicable only to our Subsidiary and not to our Company.*

### ***Insurance Act, 1938 (the “Insurance Act”) and Insurance Regulatory and Development Authority Act, 1999 (the “IRDA Act”)***

The Insurance Act read with the IRDA Act is applicable to insurance intermediaries which also includes TPAs. The Insurance Regulatory and Development Authority of India (“**IRDAI**”) came into existence by virtue of promulgation of the IRDA Act to regulate, promote and ensure orderly growth of the insurance industry in India and to protect the interests of policyholders.

The Insurance Act and the IRDA Act along with various regulations, guidelines and circulars issued by the IRDAI govern, among other matters, registration and licensing of TPAs and other insurance intermediaries.

### ***Insurance Regulatory and Development Authority of India (Third Party Administrators - Health Services) Regulations, 2016 (the “TPA Regulations”) and IRDAI Master Circular dated June 3, 2020 (the “IRDAI Circular”)***

The TPA Regulations lay down the procedural framework and regulations governing TPAs, including the types of services that can be provided by a TPA, procedural guidelines for registration with the IRDAI, minimum capital and net worth requirements to be maintained by TPAs, compliance requirements by TPAs which have majority shareholding from foreign investors, transfer of shares or ownership of TPA, maintenance of books and accounts and maintenance of confidentiality and the code of conduct to be followed by TPAs. According to regulation 5(2) of the TPA Regulations, a company registered as a TPA shall exclusively carry on the business of providing health services and shall not engage in any other business. Since the TPA Regulations only apply to TPAs, this restriction only applies to our Subsidiary and does not apply to our Company.

In order to obtain a certificate of registration for carrying out the business of a TPA, an applicant should, *inter alia*, (i) have its main and sole object to exclusively carry on business of providing the services as permitted under the TPA Regulations; (ii) have the words “Insurance TPA” in its name; (iii) have a minimum paid up equity share capital of ₹ 40 million; (iv) ensure that the promoters have the financial strength to carry out the business of a TPA; (v) ensure that its promoters have professional competence and general reputation of fairness and integrity to the satisfaction of the IRDAI; (vi) ensure that its promoters must be carrying on business not related to insurance or engaged in offering professional services not related to insurance for a period of not less than three years to the date of application; (vii) ensure that its promoters have positive net worth in all the immediately preceding three financial years to the date of application; (viii) ensure that its promoters have net worth of not less than the respective capital contribution in the immediately preceding two financial years to the date of application; (ix) ensure that at least one of the directors of the applicant holds a minimum qualification of MBBS, with a valid registration from the Medical Council of India or Medical Council of any state of India and is entitled to practice medicine within its jurisdiction and is acting within the scope and jurisdiction of his/her registration; (x) have the necessary infrastructure such as adequate office space, equipment and trained manpower to effectively discharge its functions; (xi) ensure that its chief administrative officer or chief executive officer should have a bachelor’s degree from a recognized university, should have passed the associateship examination conducted by the Insurance Institute of India or such equivalent examination as may be recognized and specified by the IRDAI and completed training with an institution recognized by the IRDAI; and (xii) have sufficient reach with network hospitals and information technology capability and the necessary in-house medical expertise. Further, the promoters of a TPA are required to lock-in the funds proposed to be invested in the applicant TPA period of three years from the date of granting certificate of registration by the IRDAI.

The TPA Regulations permit TPAs to render the following services to an insurer under an agreement in connection with the health insurance business: (i) servicing of claims under health insurance policies by way of pre-

authorization of cashless treatment or settlement of claims other than cashless claims or both, as per the underlying terms and conditions of the respective policy and within the framework of the guidelines issued by the insurers for settlement of claims; (ii) servicing of claims for hospitalization cover, if any, under personal accident policies and domestic travel policy; (iii) facilitating carrying out of pre-insurance medical examinations in connection with underwriting of health insurance policies and life insurance policies; (iv) health services matters of foreign travel policies and health policies issued by Indian insurers covering medical treatment or hospitalization outside India; (v) servicing of health services matters of travel or health or medical insurance policies issued by foreign insurers for policyholders who are travelling to India; (vi) servicing of certain non-insurance healthcare schemes as prescribed under the TPA Regulations; and (vii) any other services as may be permitted by the IRDAI.

The TPA Regulations allow the policyholders to choose a TPA of their choice from the TPAs engaged by the insurer. The insurer is required to provide the names of the TPAs, among whom the policyholders may choose the TPA of their choice at the point of sale or at the time of renewal of the policy. Further, upon termination of the services of the TPA during the course of the health services rendered by such TPA, the policyholder is allowed to choose from the TPAs engaged by the insurer.

The code of conduct prescribed under the TPA Regulations requires TPAs to, among others,: (i) have effective grievance management systems in place; (ii) obtain all the requisite documents pertaining to the examination of an insurance claim arising out of an insurance contract; (iii) ensure to resolve the grievances of policyholders within fifteen days of receipt of the same; (iv) maintain the confidentiality of the data collected by it and not share the same except as provided in the TPA Regulations; (v) refrain from issuing advertisements of its business or the services carried out by it on behalf of a particular insurer, without prior written approval of the insurer; (vi) ensure that its employees and representatives conduct themselves in a courteous and professional manner; (vii) refrain from dissuading or discouraging policyholders from approaching specific hospital of his / her choice or persuade or encourage policyholders to approach any specific hospitals which are in their network, other than offering advice and guidance when specifically sought for; (viii) refrain from inducing an insured, policyholder, network provider to omit any material information or submit wrong information; (ix) disclose its certificate of registration on demand to the insured, policyholder, claimant, prospect, public or to any other entity relating to the services under a policy issued by an insurer; and (x) refrain from demanding or receiving a share of the proceeds or a part of the claim amount from the policyholder, claimant or network provider.

The TPA Regulations require TPAs to seek prior approval of the IRDAI for any change in its shareholding exceeding 5% of its paid-up equity share capital, whether by way of transfer of existing shares or by way of fresh issue of shares to either new or existing shareholders. For this purpose, TPAs are required to make an application to the IRDAI seeking its approval in the format and along with such documents as prescribed under the IRDAI Circular.

The following requirements govern health service agreements between TPAs, insurers and network providers for provision of services by TPAs: (i) a TPA is required to enter into an agreement for providing the defined health services with an insurer and network provider, in respect of health insurance policies covering hospitalization benefits within India, issued by an Indian insurer and such agreement should be enforceable at all times; (ii) the insurer and the TPA are required to define the scope of the agreement, the health and related services that may be provided by the TPA and the fees, subject to the IRDAI stipulations, wherever applicable; (iii) the agreement shall incorporate the following clauses: (a) termination by either party on mutual consent or on grounds of any fraud, misrepresentation, deficiency of services or other non-compliance or default; (b) minimum turnaround time for rendering various services stipulated in the policy contract; and (c) the fees payable to the TPA by an insurer; (iv) the fees agreed to be payable to the TPA and agreed to be receivable by the TPA has to be based on the health services rendered to the insurer. Insurers are prohibited to pay any remuneration related to the product, linking to the claims experience or the reduction of claim costs or loss ratios; and (v) TPAs are prohibited to charge any fees in any form or in any manner from the policyholders or network providers for the health services rendered under the TPA Regulations and in terms of the agreement. Apart from these, the IRDAI Circular provides for certain additional clauses which must be present in agreements between insurers and TPAs and in agreements between insurers, network providers and TPAs.

Further, a TPA is required to maintain proper records, documents, evidence and books of all transactions carried out by it on behalf of an insurer in terms of the agreement between the insurer and the TPA. While maintaining such records, the TPA is required to follow strict professional confidentiality between the parties as required. The TPA and insurer are required to establish electronic systems for seamless flow of data for all the claims and follow standards and protocols for capture of data as may be specified by the IRDAI from time to time. TPAs are further required to submit or handover all the files, data and other related information pertaining to the settlement of

claims to the respective insurers on a quarterly basis within ninety days after the close of each quarter. TPAs are not permitted to share the data and personal information received by it for servicing of insurance policies or claims thereon except to any court of law, tribunal, the government or the IRDAI in case any investigation is carried out or is proposed to be carried out against the insurer, TPA or any other person or for any other reason.

The IRDAI Circular issued under the TPA Regulations prescribes, among other things, reporting and intimation requirements, corporate governance norms and, standard clauses to be incorporated in agreements between insurers, TPAs and network providers. The IRDAI Circular also lays down (i) the procedure to be followed for providing cashless facility; (ii) the process to be followed for the de-empanelment of network providers; (iii) the procedure to furnish the standard discharge summary; and (iv) the procedure to furnish the standard format for network provider bills, all of which should be included in the agreement between insurers, network providers and TPAs.

### ***Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2016 (the “Health Insurance Regulations”)***

The Health Insurance Regulations lay down the requirements governing scope of health insurance business, product filing procedure for health insurance products, withdrawal of health insurance products, principles of pricing of health insurance products, designing of health insurance policies, settlement/rejection of claim by insurers, administration of health insurance policies, health services agreements between/amongst insurers, network providers or TPAs, engagement of services of TPAs by insurers in relation to health insurance policies, change of TPAs by insurers for servicing of health insurance policies, data and related issues and systems to be in place to mitigate frauds.

Insurers are also required to ensure that the TPAs are not carrying out the following activities as part of the agreement: (i) claim rejections/repudiations with respect to the health insurance policies; (ii) payments to the policyholders, claimants or the network providers; (iii) any services directly to the policyholder or insured or to any other person unless such service is in accordance with the terms and conditions of the agreement entered into with the insurer and complies with the TPA Regulations. In relation to settlement and denial of claims, insurers and/or TPAs, as may be applicable, are required to endeavour to collect documents for processing claims for disposal electronically and claims that are being settled shall be done through e-payments by the insurers. Where a claim is denied or repudiated, the communication about the denial or the repudiation shall be made only by the insurer by specifically stating the reasons for the denial or repudiation, while necessarily referring to the corresponding policy conditions. Further, insurers and TPAs are required to put in place systems and procedures to identify, monitor and mitigate frauds and also follow guidelines, if any, specified by the IRDAI, from time to time in this regard.

The Health Insurance Regulations require TPAs to establish a separate channel to address the health insurance related claims and grievances of senior citizens. The details of TPAs, if any, along with the complete address and contact numbers, are required to be attached to the policy document. The insurers and TPAs are required to ensure that only those providers who meet with the standards, benchmarks and protocols specified by the IRDAI are enrolled into the network.

### ***Foreign Direct Investment in Insurance Intermediaries***

The Insurance Act was amended by the Insurance Laws (Amendment) Act, 2015 with effect from December 26, 2014. Pursuant to the Amendment Act, the foreign direct investment in insurance companies and insurance intermediaries increased from 26% to 49%, subject to the prior approval of the IRDAI.

The Ministry of Finance on February 19, 2015, issued the Indian Insurance Companies (Foreign Investment) Rules, 2015 (“**Foreign Investment Rules**”). The Foreign Investment Rules required insurance entities to be “Indian owned and controlled” and the Indian promoter of insurance entities be owned and controlled by resident Indian citizens or Indian companies, which are owned and controlled by resident Indian citizens.

In this regard, the IRDAI issued the Guidelines on “Indian owned and controlled” on October 19, 2015 (“**Control Guidelines**”) in connection with the requirement of Indian insurance companies to be “Indian owned and controlled”. The Control Guidelines were also made applicable to insurance intermediaries including TPAs.

On September 2, 2019, the Government of India increased the FDI limit in insurance intermediaries from 49% to 100% (“**FDI Increase**”) and notified the Indian Insurance Companies (Foreign Investment) Amendment Rules,

2019 (“**Foreign Investment Amendment Rules**”). Specific conditions were prescribed for insurance intermediaries with majority investment from foreign investors (“**Foreign Owned Insurance Intermediary**”). On October 30, 2019, the IRDAI notified the IRDAI (Insurance Intermediaries) (Amendment) Regulations, 2019 (“**IRDAI Amendment Regulations**”) and provided additional clarification with respect to the FDI Increase.

The Foreign Investment Amendment Rules and the IRDAI Amendment Regulations, read together, prescribe the following conditions for a Foreign Owned Insurance Intermediary:

- (i) The FDI Increase by the foreign investor(s) will be under the automatic route (i.e. there will be no need to obtain prior approval from the Central Government). However, these proposals will be subject to the prior approval by the IRDAI.
- (ii) The chairman of the board of directors, or the chief executive officer/ principal officer/ managing director (as applicable), should be resident Indian citizens.
- (iii) A majority of the board of directors and key managerial personnel of the Foreign Owned Insurance Intermediary should be resident Indian citizens.
- (iv) Prior permission of the IRDAI is required to repatriate dividend to the foreign investor(s).
- (v) The Foreign Owned Insurance Intermediary is not permitted to make payments (other than dividend) to related parties, beyond 10% of its total expenses in a financial year.
- (vi) The foreign investor(s) is required to bring the latest technological, managerial and other skills. However, no guidance has been provided by the IRDAI on how this will be measured.

In this regard, an undertaking is to be submitted by the Foreign Owned Insurance Intermediary to the IRDAI confirming compliance with point (i) to (vi).

The IRDAI Amendment Regulations further clarified that all insurance intermediaries (whether they have majority shareholding of foreign investors or not) are no longer required to be “Indian owned and controlled”.

***Guidelines on repatriation of dividends by insurance intermediaries having majority by foreign investors’ dated January 3, 2020 (“Guidelines on Repatriation of Funds”)***

The Foreign Investment Amendment Rules and the IRDAI Amendment Regulations state that a Foreign Owned Insurance Intermediary is required to obtain prior permission of the IRDAI for repatriating dividend. The Guidelines on Repatriation of Funds prescribe the process, format and timelines for filing and disposal of such applications. Additionally, the Guidelines on Repatriation of Funds provide the following key norms required to be followed by the Foreign Owned Insurance Intermediary:

- (i) The insurance intermediary is required to have a net-worth of 1.5 times of the statutorily required minimum paid-up capital after the proposed dividend payout;
- (ii) The dividend payout is required to be paid out of the insurance intermediaries' current year's profit. Also, the IRDAI should not have placed any restriction on the insurance intermediary for declaration of dividends;
- (iii) The insurance intermediary should have brought the latest technological, managerial and other skills;
- (iv) The dividend pay-out ratio calculated as a percentage of dividend payable in year (excluding dividend payable in a year) to profit after tax during the year should not exceed 75%;
- (v) The insurance intermediary has not made any payments (other than dividends) beyond 10% of the total expenses of the company in the financial year to the related parties taken as a whole; and
- (vi) The financial statements pertaining to the financial year for which the dividend is declared are required to be free of any qualifications by the statutory auditors, which have an adverse bearing on the profit during that year.

***Information Technology Act, 2002 (“Information Technology Act”)***

The Information Technology Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The Information Technology Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and creates liability for failure to protect sensitive personal data.

The Information Technology Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“DoIT”), on April 11, 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**IT Security Rules**”) which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines) Rules, 2011 (“**IT Intermediary Rules**”) requiring intermediaries receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under these IT Intermediaries Rules and to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it.

### ***New Telecom Policy***

The New Telecom Policy provides that service providers in India involved in providing services like tele-banking, tele-medicine, tele-education, tele-trading, e-commerce, call center, network operation center and other IT enabled services, using telecom resources are required to obtain registration as an “Other Service Provider”.

### ***Intellectual Property Laws***

The Trade Marks Act, 1999 (“**Trade Marks Act**”) provides for application and registration of trademarks in India. The Trade Marks Act provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying trademarks.

### ***Labour Law Legislations***

#### ***Shops and Establishments legislations in various states***

Under the provisions of local shops and establishment legislations applicable in the states in which establishments are set up, establishments are required to be registered under the respective legislations. These legislations regulate the condition of work and employment in shops and commercial establishments and generally prescribe obligations in respect of, among others, registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

#### ***Other Labour Law legislations***

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, include, among others:

- The Employee’s Compensation Act, 1923\*
- The Employees State Insurance Act, 1948\*
- The Employee’s Provident Fund and Miscellaneous Provisions Act, 1952\*
- The Equal Remuneration Act, 1976\*\*
- The Maternity Benefit Act, 1961\*
- The Payment of Gratuity Act, 1972\*
- The Payment of Bonus Act, 1965\*\*
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

*\*The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Social Security, 2020. Once effective, it will subsume, inter alia,*



*the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.*

*\*\*The Government of India enacted 'The Code on Wages, 2019' (the "Code") which received the assent of the President of India on August 8, 2019. The provisions of the Code will be brought into force on a date to be notified by the Central Government. The Code proposes to subsume the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976, each as amended. As on date, certain provisions of the Code have been brought into force vide notification dated December 18, 2020.*

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated on June 7, 2000 as a private limited company under the Companies Act, 1956, with the name “Net Logistics Private Limited”, pursuant to a certificate of incorporation granted by the RoC. Subsequently, the name of our Company was changed to “Medi Assist Healthcare Services Private Limited” with a fresh certificate of incorporation granted by the RoC on November 21, 2012. Pursuant to the conversion of our Company to a public limited company and as approved by our Shareholders pursuant to a special resolution dated February 27, 2018, the name of our Company was changed to “Medi Assist Healthcare Services Limited” and the RoC issued a fresh certificate of incorporation on March 20, 2018.

### Changes in the registered office

Details of changes in the registered office of our Company since the date of incorporation are as set forth below:

Effective date	Details of change	Reasons for change
June 15, 2001	The address of the registered office of our Company was changed from 971, 14 <sup>th</sup> cross, 16 <sup>th</sup> main, Banashankari second stage, Bangalore 560 070, Karnataka, India to 650, second floor, 11 <sup>th</sup> main, 5 <sup>th</sup> block, Jayanagar, Bangalore 560 041, Karnataka, India	
October 15, 2004	The address of the registered office of our Company was changed from 650, second floor, 11 <sup>th</sup> main, Jayanagar 5 <sup>th</sup> block, Bangalore 560 041, Karnataka, India to 780, 3 <sup>rd</sup> floor, 80 feet road, 4 <sup>th</sup> block, Koramangala, Bangalore 560 034, Karnataka, India	
February 16, 2007	The address of the registered office of our Company was changed from 780, 3 <sup>rd</sup> floor, 80 feet road, 4 <sup>th</sup> block, Koramangala, Bangalore 560 034, Karnataka, India to 24, 2 <sup>nd</sup> floor, Haudin Road, Bangalore 560 042, Karnataka, India	
March 1, 2010	The address of the registered office of our Company was changed from 24, 2 <sup>nd</sup> floor, Haudin Road, Bangalore 560 042 to 41, 16 <sup>th</sup> Main, 2 <sup>nd</sup> Cross, 2 <sup>nd</sup> stage, 1 <sup>st</sup> phase, BTM Layout, Bangalore 560 076, Karnataka, India	To ensure greater operational efficiency and to meet business requirements
November 3, 2011	The address of the registered office of our Company was changed from 41, 16 <sup>th</sup> Main, 2 <sup>nd</sup> Cross, 2 <sup>nd</sup> stage, 1 <sup>st</sup> phase, BTM Layout, Bengaluru 560 076, Karnataka, India to 45/A, 4 <sup>th</sup> floor, B block, Green Arch Building, 1 <sup>st</sup> main, Sarakki Industrial Layout, J.P. Nagar, 3 <sup>rd</sup> phase, Bangalore 560 078, Karnataka, India	
September 18, 2015	The address of the registered office of our Company was changed from 45/A, 4 <sup>th</sup> floor, B block, Green Arch Building, 1 <sup>st</sup> main, Sarakki Industrial Layout, J.P. Nagar, 3 <sup>rd</sup> phase, Bengaluru 560 078, Karnataka, India to Tower D, 4 <sup>th</sup> floor, IBC Knowledge Park, 4/1 Bannerghatta Road, Bengaluru 560 029, Karnataka, India	

### Main Objects of our Company

The main objects as contained in our MoA are:

1. *“To run, own, manage, and administer, diagnostic centers, scan centers, nursing homes, hospitals, clinics, dispensaries, maternity homes and child welfare, pathological testing laboratories, diagnostic imaging clinics in India and abroad. To carry on the business of health plan administration, health benefit administration, pharmacy benefits administration, disease management and drug distribution whether in India or abroad and to carry on the business as manufacturers, designers, repairers, buyers, sellers, resellers, importers, exporters, dealers, distributors, agents and marketers of materials, accessories, spares, tools, equipments and chemicals required in laboratories, pharmaceutical, diagnostic centers and other industries and research institutions. To manufacture, design, construct, prepare, fabricate, install, equip, maintain, run, repair, hire, to let on hire, buy, sale, resale, import, export, and to act as dealer, distributors, agents and maker of all kinds of laboratory, industrial and non industrial instruments, equipments and its accessories including those required for testing, sell, controlling, production and for any other activity.*
2. *To act as consultant and advisers providing technical know-how, technical services and allied service for the establishment, operation and improvement of hospitals, clinics, medical institutions, medical centers, diagnostic centers and laboratories in India and abroad and to act as advisers, consultants and/or intermediaries for providing support services relating to health insurance, by setting up help desks at*

*hospitals or by any other mode for helping individuals, companies, firms or any organisations for faster claim settlements, educating them with the process of insurance claims, resolving their grievances and/or queries and such other support services as may be required by them.”*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

### **Amendments to the Memorandum of Association**

Set out below are the amendments to the Memorandum of Association in the last 10 years:

<b>Date of change/ Shareholders’ resolution</b>	<b>Nature of amendment</b>
July 21, 2011	<p>The “OTHER OBJECTS NOT INCLUDED IN (A) AND (B) ABOVE ARE” clause of the Memorandum of Association was amended by addition of clauses 5 to 8, as set forth below:</p> <p><i>“5. To run, own, manage, and administer, diagnostic centers, scan centers, nursing homes, hospitals, clinics, dispensaries, maternity homes and child welfare, pathological testing laboratories, diagnostic imaging clinics in India and abroad. To carry on the business of health plan administration, health benefit administration, pharmacy benefits administration, disease management and drug distribution whether in India or abroad.</i></p> <p><i>6. To carry on the business as manufacturers, designers, repairers, buyers, sellers, resellers, importers, exporters, dealers, distributors, agents and marketers of materials, accessories, spares, tools, equipments and chemicals required in laboratories, pharmaceutical, diagnostic centers and other industries and research institutions. To manufacture, design, construct, prepare, fabricate, install, equip, maintain, run, repair, hire, to let on hire, buy, sale, resale, import, export, and to act as dealer, distributors, agents and makers of all kinds of laboratory, industrial and non-industrial instruments, equipments and its accessories including those required for testing, sell, controlling, production and for any other activity.</i></p> <p><i>7. To act as consultant and advisers providing technical know-how, technical services and allied services for the establishment, operation and improvement of hospitals, clinics, medical institutions, medical centers, diagnostic centers and laboratories in India and abroad.</i></p> <p><i>8. To act as advisers, consultants and/or intermediaries for providing support services relating to health insurance, by setting up help desks at hospitals or by any other mode for helping individuals, companies, firms, or any organisations for faster claim settlements, educating them with the process of insurance claims, resolving their grievances and/or queries and such other support services as may be required by them.”</i></p>
October 15, 2012	<p>The main objects clause of the Memorandum of Association was amended by addition of the following new clauses before the existing clause 1:</p> <p>(A) <i>“THE MAIN OBJECTS OF THE COMPANY, TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:</i></p> <ol style="list-style-type: none"> <li><i>1. To run, own, manage and administer, diagnostic centers, scan centers, nursing homes, hospitals, clinics, dispensaries, maternity homes, child welfare, pathological testing laboratories, diagnostic imaging clinics in India and abroad. To carry on the business of Health Plan Administration, health benefit administration, pharmacy benefits administration, disease management and drug distribution whether in India or abroad and to carry on the business as manufacturers, designers, repairers, buyers, sellers, resellers, importers, exporters, dealers, distributors, agents and marketers of materials, accessories, spares, tools, equipments and chemicals required in laboratories, pharmaceutical, diagnostic centers and other industries and research institutions. To manufacture, design, construct, prepare, fabricate, install, equip, maintain, run, repair, hire, to let on hire, buy, sale, resale, import, export and to act as dealer, distributors, agents and maker of all kinds of laboratory, industrial and non industrial instruments, equipments and its accessories including those required for testing, sell, controlling, production and for any other activity.</i></li> <li><i>2. To act as consultant and advisers providing technical know-how, technical services and allied service for the establishment, operation and improvement of hospitals, clinics, medical institutions, medical centers, diagnostic centres and</i></li> </ol>

<b>Date of change/ Shareholders' resolution</b>	<b>Nature of amendment</b>
	<p><i>laboratories in India and abroad to act as advisers, consultants and/or intermediaries for providing support services relating to health insurance, by setting up help desks at hospitals or by any other mode for helping individuals, companies, firms, or any organisations for faster claim settlements, educating them with the process of insurance claims, resolving their grievances and/or queries and such other support services as may be required by them.”</i></p> <p>In addition, clauses 1 and 2 of Part III (A) of the Memorandum of Association under the head “THE MAIN OBJECTS OF THE COMPANY, TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE” were renumbered as clauses 3 and 4, respectively.</p> <p>In addition, clauses 5, 6, 7 and 8 of Part III (C) of the Memorandum of Association under the head “OTHER OBJECTS NOT INCLUDED IN (A) AND (B) ABOVE ARE” as set forth below were deleted:</p> <p><i>“5. To run, own, manage, and administer, diagnostic centers, scan centers, nursing homes, hospitals, clinics, dispensaries, maternity homes and child welfare, pathological testing laboratories, diagnostic imaging clinics in India and abroad. To carry on the business of health plan administration, health benefit administration, pharmacy benefits administration, disease management and drug distribution whether in India or abroad.</i></p> <p><i>6. To carry on the business as manufacturers, designers, repairers, buyers, sellers, resellers, importers, exporters, dealers, distributors, agents and marketers of materials, accessories, spares, tools, equipments and chemicals required in laboratories, pharmaceutical, diagnostic centers and other industries and research institutions. To manufacture, design, construct, prepare, fabricate, install, equip, maintain, run, repair, hire, to let on hire, buy, sale, resale, import, export, and to act as dealer, distributors, agents and makers of all kinds of laboratory, industrial and non industrial instruments, equipments and its accessories including those required for testing, sell, controlling, production and for any other activity.</i></p> <p><i>7. To act as consultant and advisers providing technical know-how, technical services and allied services for the establishment, operation and improvement of hospitals, clinics, medical institutions, medical centers, diagnostic centers and laboratories in India and abroad.</i></p> <p><i>8. To act as advisers, consultants and/or intermediaries for providing support services relating to health insurance, by setting up help desks at hospitals or by any other mode for helping individuals, companies, firms, or any organisations for faster claim settlements, educating them with the process of insurance claims, resolving their grievances and/or queries and such other support services as may be required by them.”</i></p>
February 18, 2013	<p>The name of our Company was changed from ‘Net Logistics Private Limited’ to ‘Medi Assist Healthcare Services Private Limited’.</p> <p>The objects clause of the Memorandum of Association was amended to reflect the reclassification of clauses 3 and 4 of the “THE MAIN OBJECTS OF THE COMPANY, TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE”, as clauses 9 and 10 of the “OTHER OBJECTS NOT INCLUDED IN (A) AND (B) ABOVE ARE” of the Memorandum of Association.</p>
January 25, 2017	<p>The authorised share capital of our Company was altered from ₹ 3,000,000 divided into 250,000 Equity Shares of ₹ 10 each and 50,000 preference shares of ₹ 10 each to ₹ 3,000,000 divided into 250,000 Equity Shares of ₹ 10 each, 40,000 preference shares of ₹ 10 each and 5, Series A Compulsorily Convertible Preference Shares of ₹ 20,000 each.</p>
February 27, 2018	<p>The name of our Company was changed from “Medi Assist Healthcare Services Private Limited” to “Medi Assist Healthcare Services Limited”, consequent upon conversion of our Company from a private limited company to a public limited company.</p> <p>In addition, clause III (C) of the object clause of the Memorandum of Association was deleted.</p>
March 12, 2018	<p>The authorised share capital of our Company was increased from ₹ 3,000,000 divided into 250,000 Equity Shares of ₹ 10 each, 40,000 preference shares of ₹ 10 each and 5, Series A Compulsorily Convertible Preference Shares of ₹ 20,000 each to ₹ 45,000,000 divided into 45,000,000 Equity Shares of ₹ 10 each, 40,000 preference shares of ₹ 10 each and 5, Series A Compulsorily Convertible Preference Shares of ₹ 20,000 each.</p>

Date of change/ Shareholders' resolution	Nature of amendment
April 1, 2018*	The authorised share capital of our Company was increased from ₹ 450,500,000 divided into 45,000,000 Equity Shares of ₹ 10 each, 40,000 preference shares of ₹ 10 each and 5 Series A Compulsorily Convertible Preference Shares of ₹ 20,000 to ₹ 453,500,000 divided into 45,200,000 Equity Shares of ₹ 10 each, 140,000 preference shares of ₹ 10 each and 5 Series A Compulsorily Convertible Preference Shares of ₹ 20,000 each.
March 15, 2021	The authorised share capital of our Company was amended to reflect reclassification from ₹ 453,500,000 divided into 45,200,000 Equity Shares of ₹ 10 each, 140,000 preference shares of ₹ 10 each and 5 Series A Compulsorily Convertible Preference Shares of ₹ 20,000 each to ₹ 453,500,000 divided into 45,350,000 Equity Shares of ₹ 10 each.
April 7, 2021	Pursuant to a resolution passed by the Shareholders, 45,350,000 Equity Shares of ₹ 10 each aggregating to ₹ 453,500,000 were sub-divided and reclassified as 90,700,000 Equity Shares of ₹ 5 each aggregating to ₹ 453,500,000.

\*The authorised share capital was increased from ₹ 450,500,000 divided into 45,000,000 Equity Shares of ₹ 10 each, 40,000 preference shares of ₹ 10 each and 5 Series A Compulsorily Convertible Preference Shares of ₹ 20,000 to ₹ 453,500,000 divided into 45,200,000 Equity Shares of ₹ 10 each, 140,000 preference shares of ₹ 10 each and 5 Series A Compulsorily Convertible Preference Shares of ₹ 20,000 each pursuant to the confirmation order approving the amalgamation / merger of MSPL with our Company passed by the Regional Director, South Eastern Region, Hyderabad Bench vide its letter dated November 15, 2019.

### Major events and milestones

The table below sets forth some of the major events in the history of our Company.

Calendar Year	Events
2000	Incorporation of our Company
2002	Registration of Medi Assist TPA as a third party administrator with IRDAI
2010	Medimatter Health acquired stake in our Company from Reliance Capital Limited and Medybiz Private Limited
2011	Investment by Bessemer Health in our Company Acquisition of 100.00 % of the paid up equity share capital of Medi Assist TPA by our Company
2013	Investment by Investcorp Private Equity Fund I
2016 <sup>(1)</sup>	Medi Assist TPA acquired DHS
2018 <sup>(2)</sup>	MSPL amalgamated its business and operations in our Company
2018	Medi Assist TPA acquired Medicare Insurance TPA Services (India) Private Limited on a slump sale basis
2019 <sup>(3)</sup>	Demerger of the consumer facing health and wellness division of our Company into Mandala

<sup>(1)</sup> Appointed date for the purpose of the DHS Amalgamation Scheme

<sup>(2)</sup> Appointed date for the purpose of the MSPL Amalgamation Scheme

<sup>(3)</sup> Appointed date for the purpose of Demerger Scheme

### Awards and Accreditations

Set forth below are some of the significant awards and accreditations received by our Company and our Subsidiary.

Calendar Year	Awards and accreditations
<b>Company</b>	
2014	<ul style="list-style-type: none"> <li>Awarded the 'Red Herring Top 100 Asia 2014 Award' for innovative use of technology in the healthcare services industry</li> </ul>
2015	<ul style="list-style-type: none"> <li>Recognition from the Maharashtra Rajya Police Mukhyalaya for servicing the Maharashtra Police Kutumb Arogya Yojana</li> </ul>
2016	<ul style="list-style-type: none"> <li>Awarded the 'Skoch Order of Merit' for qualifying amongst top 100 projects in India for cloud, mobility and apps by the Skoch Group</li> <li>Awarded the 'Skoch Award - Silver' for cloud, mobility and apps by the Skoch Group</li> </ul>
2018	<ul style="list-style-type: none"> <li>Certificate of appreciation for organising a voluntary blood donation camp by the Lions Blood Bank</li> </ul>
2019	<ul style="list-style-type: none"> <li>Awarded the 'Top Organizations with Innovative HR Practices' by the Asia Pacific HRM Congress</li> </ul>
2020	<ul style="list-style-type: none"> <li>Silver Level - Healthy Workplace Award 2020 by Arogya World India Trust</li> </ul>
<b>Medi Assist TPA</b>	
2014	<ul style="list-style-type: none"> <li>Awarded the 'Best Practices Award' for contribution towards the Chief Minister's Comprehensive Health Insurance Scheme</li> </ul>
2016	<ul style="list-style-type: none"> <li>Received certificate of recognition for being a preferred health benefits and wellness partner for RSBY</li> </ul>

Calendar Year	Awards and accreditations
2019	<ul style="list-style-type: none"> <li>Awarded the 'Skoch Order of Merit' for qualifying the semi-finals of the Skoch Award 2019</li> </ul>
2020	<ul style="list-style-type: none"> <li>Awarded the 'India's Best TPA Award' by Insurance Alertss</li> <li>Awarded the 'Dream Companies to Work for' and the 'Best HR Strategy in line with Business' at the Karnataka Best Employer Brand Awards 2020</li> </ul>
2021	<ul style="list-style-type: none"> <li>Received certificate of appreciation for exemplary performance under the 'Chief Minister's Comprehensive Health Insurance Scheme – Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana' by the Government of Tamil Nadu</li> </ul>

For details of key services launched by our Company and entry into new geographies or exit from existing markets, see “*Our Business*” on page 131.

#### **Time/cost overrun**

We have not experienced any material/significant time or cost overrun pertaining to the business operations of our Company as on the date of this Draft Red Herring Prospectus.

#### **Defaults or rescheduling/restructuring of borrowings with financial institutions/banks**

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling of borrowings with financial institutions or banks in respect of our borrowings from lenders.

#### **Guarantees given by our Promoters**

Our Promoters have not given any guarantees to any third parties.

#### **Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years**

##### ***Acquisition of Medicare Insurance TPA Services (India) Private Limited's third party administration business on a slump sale basis by Medi Assist TPA***

Pursuant to the business transfer agreement dated May 27, 2017 and closing agreement dated June 29, 2018 executed by and amongst, Medicare Insurance TPA Services (India) Private Limited (“**Medicare TPA**”), Medi Assist TPA and the promoters of Medicare TPA, Medi Assist TPA acquired the business of Medicare TPA, including its assets, the third party administrator’s license, liabilities, records, contracts, employees of Medicare TPA, as a going concern by way of a slump sale basis (the “**Acquisition**”). The IRDAI provided its in-principle approval for the Acquisition to Medi Assist TPA pursuant to its letter dated September 28, 2017 and to Medicare TPA pursuant to its letter dated September 27, 2017. Subsequently, the IRDAI, pursuant to the application dated December 28, 2018 by Medicare TPA for voluntary surrender of its third party administrator certificate (“**Certificate**”), cancelled the Certificate, by way of its order dated February 19, 2019. The Acquisition of Medicare TPA’s business became effective from June 29, 2018.

##### ***Amalgamation of DHS with Medi Assist TPA***

The board of Medi Assist TPA pursuant to its resolution dated April 12, 2017 and the shareholders of Medi Assist TPA pursuant their resolution dated February 13, 2018 had approved the draft scheme of amalgamation between DHS and Medi Assist TPA in terms of Sections 66 and 233(1) of the Companies Act (the “**DHS Amalgamation Scheme**”). The DHS Amalgamation Scheme had been filed with the Regional Director - Hyderabad, Ministry of Corporate Affairs (the “**Regional Director**”), the RoC and the Official Liquidator, Karnataka inviting objections and suggestions. The approval for the DHS Amalgamation Scheme was granted pursuant to an order of the Regional Director dated April 6, 2018. Upon the completion of the amalgamation, DHS merged into Medi Assist TPA and ceased to be our subsidiary. The appointed date for the purposes of DHS Amalgamation Scheme was October 1, 2016 and the effective date was April 24, 2018. Pursuant to DHS Amalgamation Scheme:

1. The entire undertaking of DHS, including all its properties and assets of whatsoever nature, such as licenses, agreements or any other right devolving pursuant to such agreements, permits, approvals, tenancy rights, permissions and incentives and all other rights, title, interest, contracts, consent or powers of every kind and description were transferred to and vested in Medi Assist TPA;

2. Any legal or other proceedings by or against DHS are to be continued and enforced by or against Medi Assist TPA;
3. All liabilities, debts, duties, contingent liabilities and obligations of DHS were transferred to Medi Assist TPA;
4. Right to claim refund of any tax, duty, cess or other charges, including any right to refund or adjustment of any erroneous or excess payments and interest thereon, deduction, exemption, rebate, allowance, amortization benefit under the Income Tax Act, 1961 are deemed to have been accrued to the credit of Medi Assist TPA; and
5. The authorized share capital of DHS combined with that of Medi Assist TPA and the shares held by Medi Assist TPA in DHS stood cancelled and extinguished, without any further action.

#### ***Amalgamation of MSPL with our Company***

Our Board, pursuant to their resolution dated February 17, 2018 and the board of directors of MSPL pursuant to their resolution dated February 20, 2018 had approved a scheme of amalgamation between our Company and MSPL in terms of Sections 230 to 233 of the Companies Act, 2013 (“**MSPL Amalgamation Scheme**”). Our Company had filed the MSPL Amalgamation Scheme with the Regional Director - Hyderabad, Ministry of Corporate Affairs (the “**Regional Director**”), RoC and the Official Liquidator, Karnataka inviting objections and suggestions. The approval for the MSPL Amalgamation Scheme was granted pursuant to an order of the Regional Director dated November 15, 2019. The appointed date for the purposes of MSPL Amalgamation Scheme was April 1, 2018 and the effective date was December 9, 2019. Pursuant to the MSPL Amalgamation Scheme:

1. The entire undertaking of MSPL, including all its properties and assets of whatsoever nature, such as licenses, agreements or any other right devolving pursuant to such agreements, permits, approvals, tenancy rights, permissions and incentives and all other rights, title, interest, contracts, consent or powers of every kind and description were transferred to and vested in our Company;
2. Any legal or other proceedings by or against MSPL are to be continued and enforced by or against our Company;
3. All liabilities, debts, duties and obligations of MSPL were transferred to our Company;
4. The authorized share capital of MSPL was combined with that of our Company and there was no issue of shares to the shareholders of MSPL in consideration of the amalgamation (as MSPL was a wholly owned subsidiary of our Company), and accordingly our shareholding in MSPL stood cancelled and extinguished, without any further action.

#### ***Scheme of Arrangement of our Company and Mandala along with their respective shareholders***

Our Board, pursuant to resolution dated August 13, 2019 had approved a scheme of arrangement between our Company and Mandala and their respective shareholders in terms of Sections 230 to 232 and Section 66 of the Companies Act, 2013 for demerger of the consumer facing health and wellness division of our Company into Mandala (“**Demerger Scheme**”). Our Company had filed the Demerger Scheme with National Company Law Tribunal, Bengaluru Bench (“**NCLT**”) on September 30, 2019 and the approval for the Demerger Scheme was granted pursuant to the NCLT order dated November 4, 2020 (“**Order**”). The appointed date for the purpose of Demerger scheme was September 1, 2019 and the effective date was December 4, 2020. Pursuant to the Order, including but not limited to:

1. The entire undertaking of the consumer facing health and wellness division of our Company (“**Demerged Undertaking**”), including but not limited to all its assets of whatsoever nature, permits, approvals, consents, licenses, trademark, copyrights, patents, privileges, powers, facilities were transferred to and vested in Mandala;
2. All liabilities, debts, duties and obligations of our Company in relation to the Demerged Undertaking were transferred to Mandala;
3. All the staff and employees of the Demerged Undertaking became the staff and employees of Mandala

without any interruption in service and on terms and conditions not less favorable than those applicable to such staff and employees with reference to the Demerged Undertaking on the effective date; and

4. All legal or other proceedings by or against our Company in relation to the Demerged Undertaking are to be continued and enforced by or against Mandala.

Our Company, Phasorz, Mandala and certain shareholders of our Company and Phasorz entered into a merger implementation agreement dated December 20, 2019 (“**MIA Agreement**”) providing the mechanism for the merger of Mandala into Phasorz, in accordance with a scheme of arrangement pursuant to which Mandala is proposed to be merged into Phasorz (“**Merger Scheme**”). Pursuant to the MIA Agreement and subject to the Merger Scheme, the parties agreed that Mandala shall be amalgamated into Phasorz in consideration for the allotment and issuance of merger consideration shares by Phasorz to certain shareholders of our Company who are also shareholders of Mandala.

Our Company, Mandala and Phasorz have entered into a master license agreement dated December 20, 2019 (“**Master License Agreement**”) pursuant to which our Company has granted a worldwide, non-exclusive and unconditional license in respect of certain intellectual property to Phasorz from the date of the Master License Agreement until the date on which the Jurisdictional National Company Law Tribunal sanctions the Demerger Scheme (“**Demerger Sanction Date**”) and Mandala has granted a worldwide, non-exclusive and unconditional license in respect of certain intellectual property to Phasorz from date of the Demerger Sanction Date until National Company Law Tribunal, Bangalore or National Company Law Tribunal, Chennai pass their respective orders sanctioning the Merger Scheme (“**Effective Date**”). Such intellectual property covers all the Demerged Undertaking’s intellectual property including patents, trademarks, copyrights, trade secrets and domain names. Further, for a period of three years from the Effective Date, Phasorz shall grant an exclusive non-sublicensable, non-transferable and worldwide license in respect of all right, title, claim, utility and benefit in certain limited intellectual property to our Company for the purpose of rendering our Company’s business obligations in relation to providing services for its corporate and insurance customers and for undertaking any obligations which would require use of such limited intellectual property pursuant to certain other agreements.

Our Company and Phasorz have also entered into transition services agreement dated December 20, 2019 (“**Transition Services Agreement**”) in order to effectively transition the Demerged Undertaking to Phasorz during the transition period. Pursuant to this agreement, our Company shall provide or cause its affiliates or subcontractors to provide to Phasorz, some of its resources on a shared basis to Phasorz.

Further, our Company, Mandala and Phasorz also entered into a trademarks assignment agreement dated December 20, 2019 (“**Trademarks Assignment Agreement**”) pursuant to which from the Effective Date, Mandala shall, among others, grant, transfer and assign to Phasorz, on a worldwide, irrevocable, unconditional, exclusive and perpetual basis, all right, title, claim, benefit and interest in and to the trademarks held by Mandala and Phasorz shall be entitled to exploit (including but not limited to modify, enhance, transfer and license) such trademarks in any manner whatsoever and in all media and formats across the world, at its sole and absolute discretion.

#### **Other Material Agreements**

##### ***Share Purchase Agreement dated December 20, 2010 executed by and amongst Reliance Capital Limited (“Reliance Capital”), Medybiz Private Limited, Medimatter Health and our Company (“SPA”)***

Pursuant to SPA, Medimatter Health acquired 4,500 Equity Shares of our Company held by Reliance Capital, 4,500 Equity Shares of our Company held by V.R. Mohan jointly held with Reliance Capital and 1,000 Equity Shares of our Company held by Medybiz Private Limited.

##### ***Share Purchase Agreement dated December 21, 2010 executed by and amongst our Company, Reliance Health Ventures Limited and Medi Assist TPA (“Medi Assist SPA -1”)***

Pursuant to the Medi Assist SPA -1, our Company acquired 3,212,370 equity shares of Medi Assist TPA (*out of which five equity shares are jointly held with Dr. Vikram Jit Singh Chhatwal*) constituting 80.06% of its total paid up equity share capital from Reliance Health Ventures Limited.

##### ***Share Purchase Agreement dated May 27, 2011 executed by and amongst our Company, Nadathur Estates Private Limited and Medi Assist TPA (“Medi Assist SPA - 2”)***



Pursuant to the Medi Assist SPA -2, our Company acquired 800,000 equity shares of Medi Assist TPA constituting 19.94% of its total paid up equity share capital from Nadathur Estates Private Limited.

***Share Subscription and Share Purchase Agreement dated September 25, 2013 executed by and amongst Investcorp Private Equity Fund I, Bessemer Health, Dr. Vikram Jit Singh Chhatwal, Prashant Jhaveri, Manoj Balaji, Medimatter Health and our Company, as amended (the “SSSPA”)***

Pursuant to the SSSPA, Investcorp Private Equity Fund I, (i) subscribed to 6,300 OCPS of our Company in two tranches; and (ii) acquired 710 Equity Shares from Dr. Vikram Jit Singh Chhatwal, Prashant Jhaveri and Manoj Balaji. In accordance with the terms of the SSSPA, the Share Purchase Agreement dated September 25, 2013 was executed by and amongst Investcorp Private Equity Fund I, our Company, Rajan Mehra, Amit Kumar Patni, Arihant Patni, Vinay Sanghi and Veena Sanghi, Project Automobiles (Bombay) Private Limited, Probir Rao, P.Shankar Rao and P.Neena Rao, Pramod Ahuja and Jyoti Ahuja, Ranjan Sanghi and Jayashree Sanghi, Hemant Mandal, Rita Pani and Jayvardhan Dhar Diwan, Odyssey India Advisory Private Limited, Rajiv Agarwal, Rakesh Jhunjhnuwala, Vijay Jain and Kajal Kapadia Jain, Sanjay Kalra and Jyotika Kapoor, Vivek Pandit, Rahul Khanna, Keshav Sanghi and Vineeta Sanghi, Jaivardhan Sinha and Sonia Deb (such persons, the “Sellers”) to purchase 380 Equity Shares from the Sellers.

In terms of the SSSPA, the Shareholders’ Agreement dated September 25, 2013 was executed by and amongst Investcorp Private Equity Fund I, Medimatter Health, Bessemer Health, Dr. Vikram Jit Singh Chhatwal and our Company (“SHA”). Pursuant to a deed of accession dated March 17, 2017 and an addendum dated March 17, 2017 (“Addendum”), BICH-II was included as a party to the SHA and SSSPA, respectively. In addition, pursuant to the Addendum, the parties have captured the Equity Shares entitlement ratio upon conversion of the optional convertible preference shares held by Investcorp Private Equity Fund I.

In accordance with the terms of the SHA, Bessemer Health and BICH-II, collectively and Investcorp Private Equity Fund I, have certain rights and obligations, among others, pre-emptive rights and anti-dilution rights in the event our Company issues any new securities, qualified initial public offering as per the terms and conditions agreed upon in the SHA, right of prior written approval before constituting a committee on our Board, the right to nominate a non-executive director on our Board, a director on each committee of our Board and a director on the board of directors of each of our subsidiaries, exit rights and tag-along rights in the event of certain proposed transfer of shares by certain shareholders and certain information rights. Further, pursuant to the terms of the SHA, Dr. Vikram Jit Singh Chhatwal also has a right to nominate two directors on our Board.

The terms of the SHA provide, that the SHA shall automatically terminate upon the completion of initial public offering of Equity Shares of our Company or mutual consent of Bessemer Health, BICH-II, Investcorp Private Equity Fund I, Dr. Vikram Jit Singh Chhatwal, Medimatter Health, whichever occurs earlier.

Further, pursuant to a letter agreement dated March 19, 2021 (“Letter Agreement”), Bessemer Health, BICH-II, Investcorp Private Equity Fund I, Dr. Vikram Jit Singh Chhatwal, Medimatter Health and our Company have agreed to waive certain rights available to the shareholders under the SHA in order to facilitate the initial public offer process.

**Shareholders’ agreements entered into with certain Shareholders**

Our Company, Bessemer Health, Dr. Vikram Jit Singh Chhatwal and Medimatter Health have entered into share subscription and shareholders’ agreements with certain Shareholders of our Company (“Minority Shareholders”), the details of such Shareholders and the date of each such agreement is set out below, and all such agreements are hereinafter collectively referred to as “Other Shareholders’ Agreements”. Pursuant to the terms of the Other Shareholders’ Agreements, each Shareholder has certain rights including tag along rights, drag along rights and information rights. In terms of the Other Shareholders’ Agreements, the agreements shall automatically terminate upon (i) the completion of an initial public offering of Equity Shares of the Company; or (ii) mutual consent of the parties to such Other Shareholders’ Agreement; or (iii) Dr. Vikram Jit Singh Chhatwal, Medimatter Health or the relevant Minority Shareholder ceasing to remain a Shareholder, whichever occurs earlier.

Sr. No.	Name of the shareholder	Date of the agreement
1.	Rajan Mehra	May 29, 2012
2.	Ranjan Sanghi jointly with Jayashree Sanghi	May 29, 2012

Sr. No.	Name of the shareholder	Date of the agreement
3.	Hemant Mandal	May 29, 2012
4.	Odyssey India Advisory Private Limited	May 29, 2012
5.	Rajiv Agarwal	May 30, 2012
6.	Rakesh Jhunjhunwala	May 18, 2012
7.	Vijay Jain jointly with Kajal Kapadia Jain	May 30, 2012
8.	Sanjay Kalra*	May 30, 2012
9.	Vivek Pandit	May 29, 2012
10.	Rahul Khanna	May 29, 2012
11.	Amit Kumar Patni	May 29, 2012
12.	Keshav Sanghi jointly with Vinita Sanghi	July 10, 2012
13.	Jaivardhan Sinha jointly with Sonia Deb	July 18, 2012
14.	Arihant Patni	May 29, 2012
15.	Vinay Sangi jointly with Seena Sanghi	May 29, 2012
16.	Project Automobiles (Bombay) Private Limited	May 29, 2012
17.	Probir Rao	May 25, 2012
18.	P. Shankar Rao jointly with P. Neena Rao	May 29, 2012
19.	Pramod Ahuja jointly with Jyoti Ahuja	May 29, 2012
20.	Jyoti Ahuja jointly with Pramod Ahuja	May 29, 2012

\* Equity Shares were allotted to Sanjay Kalra jointly with Jyotika Kapoor

Pursuant to the letter agreements (details in respect of which are provided below), our Company, Bessemer Health, Dr. Vikram Jit Singh Chhatwal, Medimatter Health and the respective Minority Shareholders have agreed to waive certain rights available to the Minority Shareholders under the respective Other Shareholders' Agreements, in order to facilitate the proposed initial public offer process.

Sr. No.	Name of the shareholder	Date of the letter agreement
1.	Rajan Mehra	April 14, 2021
2.	Ranjan Sanghi jointly with Jayashree Sanghi	April 14, 2021
3.	Hemant Mandal	April 14, 2021
4.	Odyssey India Advisory Private Limited	April 14, 2021
5.	Rajiv Agarwal	April 14, 2021
6.	Rakesh Jhunjhunwala	April 19, 2021
7.	Vijay Jain jointly with Kajal Kapadia Jain	April 14, 2021
8.	Sanjay Kalra jointly with Jyotika Kapoor	April 14, 2021
9.	Vivek Pandit	April 14, 2021
10.	Rahul Khanna	April 14, 2021
11.	Amit Kumar Patni	April 14, 2021
12.	Keshav Sanghi jointly with Vinita Sanghi	April 14, 2021
13.	Jaivardhan Sinha jointly with Sonia Deb	April 14, 2021
14.	Arihant Patni	April 14, 2021
15.	Vinay Sangi jointly with Seena Sanghi	April 14, 2021
16.	Project Automobiles (Bombay) Private Limited	April 14, 2021
17.	Probir Rao	April 14, 2021
18.	P. Shankar Rao jointly with P. Neena Rao	April 14, 2021
19.	Pramod Ahuja jointly with Jyoti Ahuja	April 14, 2021
20.	Jyoti Ahuja jointly with Pramod Ahuja	April 14, 2021

***Investment agreement dated December 27, 2019 executed by and amongst our Company, Buddhimed, Dr. Ajay Bakshi and Dr. Rohit Gupta ("Investment Agreement")***

Pursuant to the Investment Agreement, our Company subscribed to 4,999,900 series B compulsorily convertible preference shares of face value of ₹ 10 each of Buddhimed and was transferred 100 equity shares of face value of ₹ 10 each of Buddhimed by Dr. Ajay Bakshi.

***Share purchase agreement dated March 30, 2021 executed by and amongst our Company, IHX Private Limited and Buddhimed ("Buddhimed SPA")***

Pursuant to the Buddhimed SPA, our Company sold 4,999,900 series B compulsorily convertible preference shares of face value of ₹ 10 each and 100 equity shares of face value of ₹ 10 each of Buddhimed (free and clear of all encumbrances) constituting 78.84% of its total paid up share capital on a fully diluted basis to IHX Private Limited.

### ***Offer to Purchase dated December 21, 2020 for the divestment of IHX Software Platform***

Our Company has entered into a non-binding 'offer to purchase' letter dated December 21, 2020, whereby the prospective buyer has agreed, *inter alia*, to acquire the IHX software platform and associated contracts from our Company. The IHX software platform is used by hospitals to exchange information with payers. Pursuant to a letter dated January 5, 2021, the term of the non-binding 'offer to purchase' letter was extended to May 31, 2021.

### ***Cost reimbursement agreement dated April 30, 2021 executed by and amongst our Company, Dr. Vikram Jit Singh Chhatwal, Medimatter Health, BICH-II, Investcorp Private Equity Fund I, Bessemer Health and Other Selling Shareholders ("Cost Reimbursement Agreement")***

Pursuant to the Cost Reimbursement Agreement, the parties agreed that all costs, other than the listing fees (which shall be borne solely by the Company), paid by the Company, shall be reimbursed by each of Dr. Vikram Jit Singh Chhatwal, Medimatter Health, BICH-II and Bessemer Health (in proportion to their respective Offered Shares) upon listing of the Equity Shares.

### ***Go to market agreement dated December 20, 2019 executed by and amongst our Company, Mandala and Phasorz ("GTM Agreement")***

Pursuant to the GTM Agreement, our Company shall provide or cause its affiliates or subcontractors to provide to Phasorz certain services such as but not limited to (i) integration of cashless corporate health benefits on the desktop application, mobile web application and the mobile application ("**Digital Assets**") of Phasorz and (ii) being an exclusive partner to Phasorz for hospital out-patient and in-patient services. Phasorz shall provide or cause its affiliates or subcontractors to provide certain services to our Company such as but not limited to (i) setting up a dedicated technology team to fulfil tech requirements of the clients of our Company and (ii) ensuring continuity of all Company related services offered on its Digital Assets. These services shall be provided up to a period of three years from the date on which the National Company Law Tribunal, Bengaluru or National Company Law tribunal, Chennai pass their respective orders sanctioning the merger scheme of Mandala and Phasorz ("**Effective Date**").

Further, our Company shall also refer sales leads, it gets, pertaining to undertaking pre-policy health checks to Phasorz on an exclusive basis and shall ensure that Medi Assist TPA refers any prospective client to Phasorz on an exclusive basis for the purpose of undertaking any pre-policy health checks. These arrangements for pre-policy health checks shall be valid for a period of three years from the date of the GTM Agreement.

### **Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

### **Subsidiary of our Company**

As on the date of this Draft Red Herring Prospectus, our Company has one Subsidiary, details of which are provided below.

#### ***Medi Assist TPA***

Medi Assist TPA was incorporated under the Companies Act, 1956 on September 3, 1999 as Medi Assist India Private Limited with the RoC. Subsequently, its name was changed to Medi Assist India TPA Private Limited on January 16, 2009. Its name was changed to Medi Assist Insurance TPA Private Limited on September 2, 2016. Its registered office is located at Tower D, 4th floor, IBC Knowledge Park, 4/1 Bannerghatta Road, Bengaluru 560 029, Karnataka, India. Medi Assist TPA is currently engaged in the business of processing insurance claims as a third party administrator. In accordance with the provisions of the objects clause of its memorandum of association, Medi Assist TPA is permitted to carry out its present business activities.

The authorized share capital of Medi Assist TPA ₹ 60,200,000 divided into 6,020,000 equity shares of ₹ 10 each.

Our Company, our Company jointly with Dr. Vikram Jit Singh Chhatwal and our Company (along with its nominees namely, Mr. Satish V. N. Gidugu, Mr. Samir Kulshrestha, Mr. P.R. Narayanan, Mr. Manish Vij, Mr. Himanshu Rastogi, Mr. Nikhil Chopra and Ms. Anitha Manikantan) hold 100.00% of the issued, subscribed and paid-up equity share capital of Medi Assist TPA.

There are no accumulated profits or losses of Medi Assist TPA not accounted for by our Company.

**Joint ventures of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures.

**Significant strategic and financial partnerships**

Our Company does not have any significant strategic or financial partners as on the date of this Draft Red Herring Prospectus.

**Key terms of other subsisting material agreements**

Except as disclosed in “— *Other Material Agreements*” above, our Company has not entered into any subsisting material agreements other than in the ordinary course of business of our Company.

**Agreements with Key Managerial Personnel, Director, Promoter or any other employee**

As on the date of this DRHP, there are no agreements entered into by our Key Managerial Personnel or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

## OUR MANAGEMENT

Under our Articles of Association, our Company is authorised to have a maximum of 15 Directors, in accordance with the provisions of the Companies Act 2013. As on the date of this Draft Red Herring Prospectus, we have nine Directors on our Board, comprising two Whole-time Directors, two Non-Executive Nominee Directors and five Independent Directors. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act 2013 and the SEBI Listing Regulations.

### Our Board

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus.

Name, designation, date of birth, address, occupation, term and DIN	Age (in years)	Other Directorships
<p><b>Dr. Vikram Jit Singh Chhatwal</b></p> <p><i>Designation:</i> Chairman and Whole-time Director</p> <p><i>Date of birth:</i> June 11, 1969</p> <p><i>Address:</i> Number 01B, First Floor, Sky Gardens, 12/1 Rhenius Street, Richmond Town, Bengaluru 560 025, Karnataka, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Term:</i> Period of five years from March 1, 2021, and shall not be liable to retire by rotation</p> <p><i>Period of directorship:</i> March 30, 2007</p> <p><i>DIN:</i> 01606329</p>	51	<p><i>Indian Entities</i></p> <ul style="list-style-type: none"> <li>• Inventurus Knowledge Solutions Private Limited;</li> <li>• Mandala Wellness Private Limited;</li> <li>• Medi Assist Insurance TPA Private Limited;</li> <li>• Medi Assist Private Limited;</li> <li>• Medimatter Health Management Private Limited; and</li> <li>• VSMM Consultants Private Limited.</li> </ul>
<p><b>Satish V.N. Gidugu</b></p> <p><i>Designation:</i> Whole-time Director and Chief Executive Officer</p> <p><i>Date of birth:</i> August 30, 1977</p> <p><i>Address:</i> #401, Adarsh Palm Retreat, Devarabeesinahalli, Bengaluru 560 103, Karnataka, India</p> <p><i>Occupation:</i> Service</p> <p><i>Term:</i> Period of five years from March 1, 2021, and shall be liable to retire by rotation</p> <p><i>Period of directorship:</i> April 1, 2020</p> <p><i>DIN:</i> 06643677</p>	43	<p><i>Indian Entities</i></p> <ul style="list-style-type: none"> <li>• Medi Assist Insurance TPA Private Limited;</li> <li>• Medi Assist Private Limited; and</li> <li>• Medimatter Health Management Private Limited.</li> </ul>
<p><b>Vishal Vijay Gupta</b></p> <p><i>Designation:</i> Non-Executive Nominee Director</p> <p><i>Date of birth:</i> September 24, 1977</p> <p><i>Address:</i> Flat Number 15A, "D" Block, Binny Crescent Apartments, Nandidurga Road, Benson Town, Bengaluru 560 046, Karnataka, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Term:</i> Liable to retire by rotation</p>	43	<p><i>Indian Entities</i></p> <ul style="list-style-type: none"> <li>• API Holdings Private Limited;</li> <li>• Anunta Technology Management Services Limited;</li> <li>• Applied Solar Technologies (India) Private Limited;</li> <li>• BVP India Investors Private Limited;</li> <li>• Home First Finance Company India Limited;</li> <li>• Hungama Digital Media Entertainment Private Limited;</li> </ul>

Name, designation, date of birth, address, occupation, term and DIN	Age (in years)	Other Directorships
<p><i>Period of directorship:</i> December 7, 2011</p> <p><i>DIN:</i> 01913013</p>		<ul style="list-style-type: none"> <li>• Innoviti Payment Solutions Private Limited;</li> <li>• Lentra AI Private Limited;</li> <li>• Nephrocare Health Services Private Limited;</li> <li>• Perfios Software Solutions Private Limited;</li> <li>• Phasorz Technologies Private Limited;</li> <li>• Sanghvi Beauty &amp; Technologies Private Limited;</li> <li>• Supermarket Grocery Supplies Private Limited; and</li> <li>• Urban Clap Technologies India Private Limited.</li> </ul> <p><i>Foreign Entity</i></p> <ul style="list-style-type: none"> <li>• Livspace Pte. Ltd.</li> </ul>
<p><b>Gaurav Sharma</b></p> <p><i>Designation:</i> Non-Executive Nominee Director</p> <p><i>Date of birth:</i> February 28, 1972</p> <p><i>Address:</i> B9/ 1B, Second Floor, Vasant Vihar, New Delhi 110 057, Delhi, India</p> <p><i>Occupation:</i> Service</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Period of directorship:</i> October 12, 2016</p> <p><i>DIN:</i> 03311656</p>	49	<p><i>Indian Entities</i></p> <ul style="list-style-type: none"> <li>• ARR Advisory Private Limited;</li> <li>• ASG Hospital Private Limited;</li> <li>• Bewakoof Brands Private Limited;</li> <li>• Intergrow Brands Private Limited;</li> <li>• Investcorp Credit Solutions Private Limited;</li> <li>• Investcorp India Asset Managers Private Limited;</li> <li>• Nephrocare Health Services Private Limited;</li> <li>• Skyron Eco Ventures Private Limited; and</li> <li>• Zolostays Property Solutions Private Limited.</li> </ul>
<p><b>Himani Kapadia</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> December 17, 1970</p> <p><i>Address:</i> Laxmi Niwas, 37, Nepeansea Road, Mumbai 400 036, Maharashtra, India</p> <p><i>Occupation:</i> Service</p> <p><i>Term:</i> Period of five years from March 15, 2021 and shall not be liable to retire by rotation</p> <p><i>Period of directorship:</i> Since March 12, 2018</p> <p><i>DIN:</i> 00761555</p>	50	<p><i>Indian Entity</i></p> <ul style="list-style-type: none"> <li>• Grandmaster Exim Private Limited;</li> <li>• Medi Assist Insurance TPA Private Limited</li> </ul>
<p><b>Gopalan Srinivasan</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> July 19, 1958</p>	62	<p><i>Indian Entities</i></p> <ul style="list-style-type: none"> <li>• BACQ Acquisitions Private Limited; and</li> <li>• GIC Housing Finance Limited;</li> <li>• GICHFL Financial Services Private Limited;</li> <li>• Institute of Insurance and Risk Management; and</li> </ul>

<b>Name, designation, date of birth, address, occupation, term and DIN</b>	<b>Age (in years)</b>	<b>Other Directorships</b>
<p><i>Address:</i> A-1, Director's Residence, National Insurance Academy, 25, Balewadi, Baner Road, NIA Post Office, Pune, 411 045, Maharashtra, India</p> <p><i>Occupation:</i> Director, National Insurance Academy, Pune</p> <p><i>Term:</i> Period of five years from March 15, 2021, and shall not be liable to retire by rotation</p> <p><i>Period of directorship:</i> Since March 5, 2021</p> <p><i>DIN:</i> 01876234</p>		<ul style="list-style-type: none"> <li>• Navi General Insurance Limited.</li> </ul> <p><i>Foreign Entity</i></p> <ul style="list-style-type: none"> <li>• India International Insurance Pte. Ltd.;</li> <li>• Oasis Inube Fintech FZ - LLC</li> </ul>
<p><b>Anil Chanana</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> April 15, 1958</p> <p><i>Address:</i> Pent House-1, Tower-J, Central Park-1, Sector-42, Galleria DLF-IV, Gurugram, 122 009, Haryana, India</p> <p><i>Occupation:</i> Consultant</p> <p><i>Term:</i> Period of five years from March 15, 2021, and shall not be liable to retire by rotation</p> <p><i>Period of directorship:</i> Since March 5, 2021</p> <p><i>DIN:</i> 00466197</p>	63	<p><i>Indian Entities</i></p> <ul style="list-style-type: none"> <li>• DFM Foods Limited; and</li> <li>• Servacio Consulting Private Limited.</li> </ul>
<p><b>Dr. Ritu Niraj Anand</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> October 31, 1957</p> <p><i>Address:</i> 11, Brindaban, 65 Linking Road, Ram Krishan Mission Signal, Santacruz (West), Mumbai 400 054, Maharashtra, India</p> <p><i>Occupation:</i> Service</p> <p><i>Term:</i> Period of five years from March 15, 2021, and shall not be liable to retire by rotation</p> <p><i>Period of directorship:</i> Since March 5, 2021</p> <p><i>DIN:</i> 00363699</p>	63	<p><i>Indian Entity</i></p> <p>Godrej Agrovvet Limited</p>
<p><b>Ananda Mukerji</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> November 27, 1959</p> <p><i>Address:</i> S/O Bani Mukerji, H No. – 1901/2, A-Wing, Raheja Atlantis, Ganpat Rao Kadam Marg, Worli, Mumbai, 400 018, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> Period of five years from March 15, 2021, and shall not be liable to retire by rotation</p>	61	<p><i>Indian Entity</i></p> <ul style="list-style-type: none"> <li>• Anunta Technology Management Services Limited</li> </ul> <p><i>Foreign Entity</i></p> <ul style="list-style-type: none"> <li>• Anunta Tech Inc</li> <li>• Anunta Desktop Inc</li> </ul>

Name, designation, date of birth, address, occupation, term and DIN	Age (in years)	Other Directorships
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*Period of directorship:* Since March 11, 2021

*DIN:* 00015304

### Brief profiles of our Directors

**Dr. Vikram Jit Singh Chhatwal** is the Chairman and Whole-time Director of our Company. He holds a bachelors' degree in medicine and surgery from Jawaharlal Nehru Medical College, Belgaum, doctor of philosophy from the National University of Singapore, masters' degree in business administration in international management from Ecole Nationale Des Ponts et Chaussées, Paris and a post-graduate diploma in public health administration from the Institute of Health Care Administration, Chennai. He was previously associated with Apollo Health Street, Indraprastha Apollo Hospitals, Reliance Capital Limited, Advent India PE Advisors Private Limited and was a member of the NUS President's Advancement Advisory Council. He joined our Company in 2007 as an additional director.

**Satish V.N. Gidugu** is the Whole-time Director and Chief Executive Officer of our Company. He joined our Company on October 7, 2013 as Chief Technology Officer and was re-designated as Chief Operating Officer of our Company on January 12, 2015. He holds a bachelors' degree in technology from the Indian Institute of Technology, Madras. He was previously associated with Piloni Soft Labs Private Limited, Photon Infotech Private Limited, SAP Labs India Private Limited, YASU Technologies Private Limited, Intergraph Consulting Private Limited and Mahindra- British Telecom Limited.

**Vishal Vijay Gupta** is a Non-Executive Nominee Director on the Board of our Company. He holds a post graduate diploma in management from the Indian Institute of Management, Calcutta and is also an associate member of the Institute of Chartered Accountants of India. He is currently the Managing Director of BVP India Investors Private Limited, an affiliate of Bessemer Venture Partners and was previously associated with DSL Software Limited.

**Gaurav Sharma** is a Non-Executive Nominee Director on the Board of our Company. He holds a bachelors' degree in textile technology from the Indian Institute of Technology, Delhi and a masters' degree in business administration from the Wharton School, University of Pennsylvania. He is currently a partner and head of Private Equity - India at Investcorp India Asset Managers Private Limited. He was previously associated with Providence Equity Advisors India Private Limited and Deutsche Bank Securities Inc.

**Himani Kapadia** is an Independent Director of our Company. She holds a bachelors' degree in commerce from University of Mumbai. She is also an associate member of the Institute of Chartered Accountants of India. She is currently the chief operating officer at MORE - Global Production (Part of Oliver India and Inside Ideas Group), and was previously associated with Publicis Group as CEO for its agencies, SapientRazorfish and Digitas.

**Gopalan Srinivasan** is an Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Madras. He is an associate of The Institute of Cost Accountants of India and a fellow of the Federation of Insurance Institutes. He was previously the chairman cum managing director of United India Insurance Company Limited and chairman cum managing director for The New India Assurance Company Limited.

**Anil Chanana** is an Independent Director of our Company. He holds a bachelors' degree in commerce (honours) from the University of Delhi and is also an associate member of the Institute of Chartered Accountants of India. He was previously associated with Ansaldo Impianti, CMC Limited and was the chief financial officer at HCL Technologies Limited for nine years (during 2009 to 2018).

**Dr. Ritu Niraj Anand** is an Independent Director of our Company. She holds a degree of doctor of philosophy from University of Mumbai. She is the senior vice president at Tata Consultancy Services and has been involved with Tata Consultancy Services for over three decades.

**Ananda Mukerji** is an Independent Director of our Company. He holds a bachelors' degree in technology from the Indian Institute of Technology, Kharagpur and a post graduate diploma in management from the Indian



Institute of Management, Calcutta. He was previously associated with ICICI Bank Limited, Firstsource Solutions Limited, and is currently the executive chairman of Anunta Technology Management Services Limited.

### **Relationship between Directors**

As on the date of this Draft Red Herring Prospectus, none of our Directors are related to each other.

### **Terms of Appointment of our Whole-time Director**

#### **Dr. Vikram Jit Singh Chhatwal**

Dr. Vikram Jit Singh Chhatwal was appointed as the Chairman and Whole-time Director of our Company pursuant to resolutions passed by our Board and Shareholders on March 5, 2021 and March 15, 2021, respectively, and he is entitled to remuneration of ₹ 20 million per annum for the period between March 1, 2021 until February 28, 2024, subject to increments as may be decided by our Board.

He received gross remuneration of ₹ 1.25 million in Fiscal 2021 from our Company.

#### **Satish V.N. Gidugu**

Satish V.N. Gidugu was appointed as Whole-time Director and Chief Executive Officer of our Company pursuant to resolutions passed by our Board and Shareholders on March 5, 2021 and March 15, 2021, respectively, and he is entitled to remuneration of ₹ 12 million per annum for the period between March 1, 2021 until February 28, 2024, subject to increments as may be decided by our Board.

He received gross remuneration of ₹ 2.89 million in Fiscal 2021 from our Company.

### **Compensation paid to our Non-Executive Nominee Directors and Independent Directors**

Our Non-Executive Nominee Directors are not entitled to receive any remuneration or compensation (including sitting fees) from our Company and accordingly no remuneration has been paid to our Non-Executive Nominee Directors in Fiscal 2021.

Our Independent Directors may be entitled to receive sitting fees and such commission, as determined by our Board from time to time, for attending meeting of our Board and committees thereof. Pursuant to a resolution passed by our Board on December 13, 2018, our Independent Directors are entitled to receive a sitting fee of ₹ 50,000 for attending each meeting of our Board and ₹ 25,000 for attending each meeting of the committees of our Board.

Except as disclosed below, our Independent Directors have been paid no sitting fee for Fiscal 2021:

<b>Name of Directors</b>	<b>Remuneration (in ₹ million)</b>
Himani Kapadia	0.45
Gopalan Srinivasan	0.05

### **Compensation paid to our Directors by our Subsidiary**

Except for ₹ 16.10 million paid during Fiscal 2021 to Dr. Vikram Jit Singh Chhatwal, and ₹ 7.73 million paid during Fiscal 2021 to Satish V.N. Gidugu as remuneration by our Subsidiary, Medi Assist Insurance TPA Private Limited, none of our Directors were paid any compensation by our Subsidiary.

### **Loans to Directors**

No loans have been availed by the Directors from our Company.

None of our Directors are related to the sundry debtors of our Company.

### **Bonus or profit sharing plan for the Directors**

Except for the Employee Incentive Plan as disclosed under “*-Bonus or profit sharing plan for the Key Managerial Personnel*” on page 180, our Company does not have a bonus or profit sharing plan for our Directors.

#### **Shareholding of our Directors in our Company**

Other than as disclosed under “*Capital Structure – Notes to Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company*” on page 79, none of our Directors hold any Equity Shares as on the date of this Draft Red Herring Prospectus. Our Directors are not required to hold any qualification shares in our Company

#### **Arrangement or understanding with major shareholders**

Except for Dr. Vikram Jit Singh Chhatwal, who is our Director and Gaurav Sharma and Vishal Vijay Gupta, our Non-Executive Directors, who have been appointed as nominees of Investcorp Private Equity Fund I and Bessemer Health and BICH-II, respectively, none of our Directors or Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For details of the shareholders’ agreements pursuant to which Gaurav Sharma and Vishal Vijay Gupta were appointed on our Board, see “*History and Certain Corporate Matters –Material Agreements- Share Subscription and Share Purchase Agreement dated September 25, 2013 executed by and amongst Investcorp Private Equity Fund I, Bessemer Health, Dr. Vikram Jit Singh Chhatwal, Prashant Jhaveri, Manoj Balaji, Medimatter Health and our Company, as amended (the “SSSPA”)*” on page 161.

#### **Service contracts with Directors**

There are no service contracts entered into with any Directors, which provide for benefits upon termination of employment.

#### **Contingent and deferred compensation payable to Directors**

There is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration.

#### **Interest of Directors**

All our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company. None of the directors are interested in the formation of the Company.

Our Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. Our Directors (excluding Independent Directors) may be deemed to be interested to the extent of options granted to them pursuant to MAHS ESOP Scheme 2013. Except Satish V.N. Gidugu who holds 633,384 employee stock options, none of our Directors hold any options pursuant to MAHS ESOP Scheme 2013 as on the date of this Draft Red Herring Prospectus. For details, see “*Capital Structure - Employee stock options scheme*” beginning on page 80.

One of our directors, Dr. Vikram Jit Singh Chhatwal is interested in the agreements such as Master License Agreement, Merger Implementation Agreement, Trademarks Assignment Agreement and GTM Agreement entered into with Mandala to the extent of being a shareholder of Mandala and a director on the board of directors of Mandala. For more details, see “*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years*”, “*History and Certain Corporate Matters – Other Material Agreements*”, “*Our Promoters*”

*and Promoter Group - Business interest of our Promoters” and “History and Certain Corporate Matters – Shareholders’ agreements entered into with certain Shareholders ”* on pages 158, 160, 185 and 161, respectively. Dr. Vikram Jit Singh Chhatwal is also interested in the scheme of arrangement dated February 7, 2020 filed before the National Company Law Tribunal, Chennai Branch, where Mandala is proposed to be merged into Phasorz. Subject to the approval of the National Company Law Tribunal, Chennai Branch and the National Company Law Tribunal, Bengaluru Branch, on the scheme of arrangement, Dr. Vikram Jit Singh Chhatwal will be issued shares of Phasorz, in consideration for his respective shareholding in Mandala. For details, see “*Financial Statements – Note 41 – Related party disclosures*” on page 256. Further, Dr. Vikram Jit Singh Chhatwal, in his capacity as both a shareholder and a director on the board of Medimatter Health, and Satish V.N. Gidugu, in his capacity as the director on the board of Medimatter Health, were interested in the certain consulting service agreements entered between our Company and Medimatter Health in financial years 2019, 2020 and 2021, pursuant to which, our Company has availed certain management consultancy services from Medimatter Health. For details, please see “*Promoter and Promoter Group – Interests of our Promoters*” on page 170 and “*Financial Statements – Note 41 – Related party disclosures*” on page 256.

Dr. Vikram Jit Singh Chhatwal, in his capacity as a director and shareholder of Medimatter Health, and Satish V.N. Gidugu, in his capacity as the director on the board of Medimatter Health, are interested to the extent of repayment of certain non-convertible debentures (*including interest*) by our Company to Medimatter Health. As on the date of filing this Draft Red Herring Prospectus, all non-convertible debentures have been redeemed. For details, see “*Promoter and Promoter Group – Interests of our Promoters*” on page 170, and “*Financial Statements – Note 41 – Related party disclosures*” on page 256.

For further details regarding the shareholding of our Directors, see “*Capital Structure – Notes to Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company*” on page 79.

#### *Appointment of relatives to a place of profit*

No relative of the Directors have been appointed to an office or place of profit in our Company.

#### *Interest in property*

None of our Directors are interested in any property acquired by our Company or presently intended to be acquired by it.

#### *Interest in promotion of our Company*

Except for Dr. Vikram Jit Singh Chhatwal who is one of the Promoters of our Company and Vishal Vijay Gupta who is nominated on the Board of Directors by BICH-II (*one of the corporate Promoters of our Company*), none of our Directors have any interest in the promotion of our Company, as on the date of this Draft Red Herring Prospectus.

#### **Directorships of Directors in listed companies**

None of our Directors are, or for the five years prior to the date of this Draft Red Herring Prospectus, have been on the board of directors of any listed company whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure.

None of our Directors has been or is a director on the board of directors of any listed company which has been /was delisted from any stock exchange(s), during his/ her tenure.

#### **Changes in our Board during the last three years**

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

<b>Name of Director</b>	<b>Date of Change</b>	<b>Reasons</b>
Himani Kapadia <sup>#</sup>	March 12, 2021	Appointment as Additional Director for a second term
Himani Kapadia	March 11, 2021	Completion of tenure as Independent Director
Sanjay Kalra	March 11, 2021	Retirement (completion of tenure) as Independent Director

<b>Name of Director</b>	<b>Date of Change</b>	<b>Reasons</b>
Dr. Ritu Niraj Anand <sup>#</sup>	March 5, 2021	Appointment as Additional Director
Ananda Mukerji <sup>#</sup>	March 11, 2021	Appointment as Additional Director
Anil Chanana <sup>#</sup>	March 5, 2021	Appointment as Additional Director
Gopalan Srinivasan <sup>#</sup>	March 5, 2021	Appointment as Additional Director
Satish V.N. Gidugu <sup>@</sup>	March 1, 2021	Appointment as Whole-time Director and Chief Executive Officer
Dr. Vikram Jit Singh Chhatwal <sup>@</sup>	March 1, 2021	Appointment as Chairman and Whole-time Director
Satish V.N. Gidugu <sup>*</sup>	April 1, 2020	Appointment as Additional Director
A. G. Muralikrishnan	March 31, 2020	Resigned as Independent Director
Prashant Jhaveri	June 30, 2018	Resigned as Whole-time Director

<sup>\*</sup> The Shareholders regularised his appointment as a Director in the AGM held on December 30, 2020

<sup>#</sup> The Shareholders regularised their appointments as Independent Directors in the EGM held on March 15, 2021 for a period of five years with effect from March 15, 2021.

<sup>@</sup> The Shareholders approved the change in designation in the EGM held on March 15, 2021.

### ***Borrowing Powers***

Pursuant to our Articles of Association, subject to applicable laws and pursuant to our Board resolution dated March 9, 2018 and the special resolution passed by our Shareholders on March 12, 2018, our Board is authorised to borrow sums of money, which, together with the monies borrowed by our Company (excluding temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of our Company and its free reserves, provided that the aggregate borrowings and outstanding at any time shall not exceed the amount of ₹ 1,000 million or the aggregate of the paid-up share capital and free reserves of our Company, whichever is higher.

### **Corporate Governance**

As on the date of this Draft Red Herring Prospectus, there are nine Directors on our Board, comprising of two Whole-time Directors, two Non-Executive Nominee Directors and five Independent Directors. Further, we have two women directors on our Board. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act 2013 in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the applicable requirements of SEBI Listing Regulations and the Companies Act 2013.

### **Board committees**

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act 2013:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;
- (c) Stakeholders' Relationship Committee;
- (d) Corporate Social Responsibility Committee; and
- (e) Risk Management Committee.

### ***Audit Committee***

The Audit Committee was last reconstituted by a resolution of our Board dated March 5, 2021. The Audit Committee is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises:

1. Anil Chanana (*Chairperson*);
2. Gopalan Srinivasan; and
3. Himani Kapadia.

The Company Secretary shall act as the secretary to the Audit Committee

*Scope and terms of reference:*

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to our Company to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of our Company and the fixation of the audit fee;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in our Board's report in terms of clause (c) of sub-section 3 of section 134 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; and
  - g. Modified opinion(s) in the draft audit report.
- (5) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to our Board for approval;
- (6) 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to our board of directors of our Company to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval of any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company, subject to the conditions as may be prescribed;

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act 2013.

- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of our Company, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to our Board;

- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) reviewing the functioning of the whistle blower mechanism;
- (19) monitoring the end use of funds raised through public offers and related matters;
- (20) overseeing the vigil mechanism established by our Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (21) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (22) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments; and
- (23) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

- (1) Management discussion and analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses;
- (5) The appointment, removal and terms of remuneration of the chief internal auditor; and
- (6) Statement of deviations in terms of the SEBI Listing Regulations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations;
  - b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations).

#### ***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee was last reconstituted pursuant to a resolution passed by our Board on March 5, 2021. The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises:

1. Dr. Ritu Niraj Anand (*Chairperson*);
2. Himani Kapadia; and
3. Vishal Vijay Gupta.

#### ***Scope and terms of reference:***

The responsibility of the Nomination and Remuneration Committee shall include the following:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to our board of directors of our Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”);
- (2) Formulation of criteria for evaluation of independent directors and our Board;
- (3) Devising a policy on Board diversity;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to our Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director);
- (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (6) Recommend to our board, all remuneration, in whatever form, payable to senior management; and
- (7) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.
- (8) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
  - the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals.
- (9) perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:
  - administering the MAHS ESOP Scheme 2013;
  - determining the eligibility of employees to participate under the MAHS ESOP Scheme 2013;
  - granting options to eligible employees and determining the date of grant;
  - determining the number of options to be granted to an employee;
  - determining the exercise price under the MAHS ESOP Scheme 2013; and
  - construing and interpreting the MAHS ESOP Scheme 2013 and any agreements defining the rights and obligations of our Company and eligible employees under the MAHS ESOP Scheme 2013, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the MAHS ESOP Scheme 2013.
- (10) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.

- (11) perform such other activities as may be delegated by the Board or specified/provided under the Companies Act 2013 to the extent notified and effective, as amended or by the SEBI Listing Regulations, as amended or by any other applicable law or regulatory authority.

#### ***Stakeholders' Relationship Committee***

The Stakeholders' Relationship Committee was last reconstituted by a resolution of our Board dated March 5, 2021, in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently comprises:

1. Gopalan Srinivasan (*Chairperson*);
2. Satish V.N. Gidugu; and
3. Dr. Ritu Niraj Anand.

#### *Scope and terms of reference:*

The role of the Stakeholders' Relationship Committee shall include the following:

- (1) Resolving the grievances of the security holders of our Company 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.;
- (2) Review of measures taken for effective exercise of voting rights by shareholders;
- (3) Review of adherence to the service standards adopted by our Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- (4) Review of the various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

#### ***Corporate Social Responsibility Committee***

The Corporate Social Responsibility Committee was last reconstituted by a resolution of our Board dated March 5, 2021 and its composition and terms of reference are in compliance with Section 135 of the Companies Act 2013. The Corporate Social Responsibility Committee currently comprises:

1. Dr. Ritu Niraj Anand (*Chairperson*);
2. Himani Kapadia;
3. Gopalan Srinivasan; and
4. Satish V.N. Gidugu.

#### *Scope and terms of reference:*

The role of the Corporate Social Responsibility Committee shall include the following:

- (1) formulate and recommend to our Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013;
- (2) recommend the amount of expenditure to be incurred on the activities referred to in clause (1) above;
- (3) monitor the corporate social responsibility policy of our Company from time to time
- (4) institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by our Company.

#### ***Risk Management Committee***



The Risk Management Committee was reconstituted by a resolution of our Board dated March 5, 2021 and its terms of reference were further reconstituted by a resolution of our Board dated May 9, 2021. The scope and functions of the Risk Management Committee is in compliance with the Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee currently comprises:

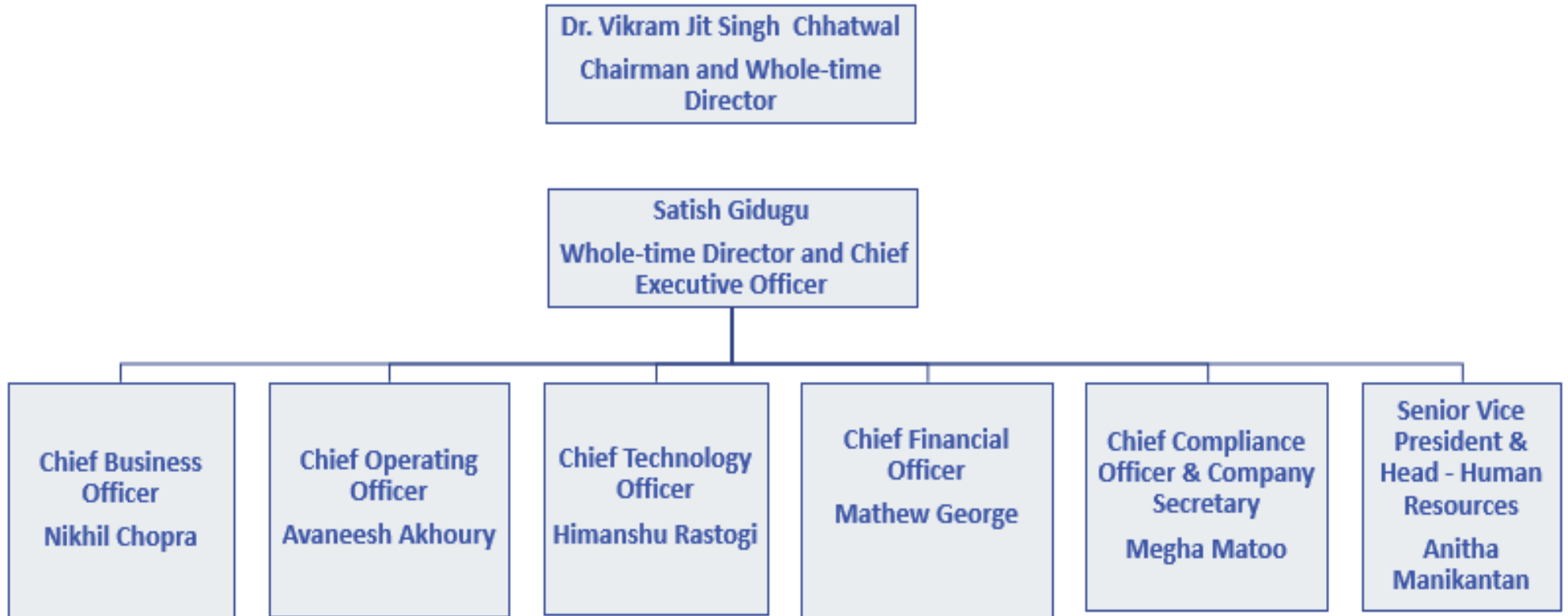
1. Anil Chanana (*Chairperson*)
2. Himani Kapadia;
3. Gopalan Srinivasan; and
4. Satish V.N. Gidugu.

*Scope and terms of reference:*

The role of the Risk Management Committee shall include the following:

- (1) To review and assess the risk management system and policy of our Company from time to time and recommend for amendment or modification thereof;
- (2) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (3) To implement and monitor policies and/or processes for ensuring cyber security;
- (4) To frame, devise and monitor risk management plan and policy of our Company;
- (5) To review and recommend potential risk involved in any new business plans and processes;
- (6) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of our Company;
- (7) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (8) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (9) The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;
- (10) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors;
- (11) The Risk Management Committee shall have the power to formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, environmental, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks; and
  - c. Business continuity Plan.
- (12) Any other similar or other functions as may be laid down by the Board of Directors from time to time and/or as may be required under applicable law;
- (13) Further the Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

**MANAGEMENT ORGANIZATION STRUCTURE**



## Key Managerial Personnel

In addition to our Chairman and Whole-time Director, Dr. Vikram Jit Singh Chhatwal and our Whole-time Director and Chief Executive Officer, Satish V.N. Gidugu, whose details are provided in “– **Brief Profiles of our Directors**” above, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

**Mathew George** was appointed as the Chief Financial Officer of our Company on March 3, 2021. He holds a bachelors’ degree in commerce from Bangalore University. He is an associate member of the Institute of Chartered Accountants of India, has passed the Uniform Chartered Public Accountant examination conducted by the Colorado State Board of Accountancy and is a certified internal auditor with the Institute of Internal Auditors. He was previously associated with HCL Technologies Limited, Jumbo Electronics Company Limited, GE Capital International Services and Accenture. During Fiscal 2021, he was paid a gross remuneration of ₹ 0.91 million.

**Nikhil Chopra** was appointed as the Chief Business Officer of our Company on November 24, 2018. He had joined our Company as Head - MediBuddy Platform and Vice President – Infiniti of our Company on May 2, 2016. He has also been appointed as the whole-time director of Medi Assist Insurance TPA Private Limited with effect from March 3, 2021. He holds a bachelors’ degree in commerce (*honours*) from Osmania University and has been awarded a certification in Accelerated Sales Force Performance from the Indian School of Business. He was previously associated with IndusAge Advisors Limited and IndusAge Management Services Private Limited. During Fiscal 2021, he was paid a gross remuneration of ₹ 7.31 million.

**Himanshu Rastogi** was appointed as the Chief Technology Officer of our Company on December 1, 2018. He joined our Company on February 7, 2015 as Vice President – Technology and was re-designated as the Chief Information Officer on September 1, 2016. He holds a bachelors’ degree in technology from Indian Institute of Technology, Roorkee. He was previously associated with IBM Global Services India Private Limited, Photon Interactive Private Limited, Photon Infotech Private Limited and Sapient Consulting Limited. During Fiscal 2021, he was paid a gross remuneration of ₹ 8.05 million.

**Avaneesh Akhoury** was appointed as the Chief Operations Officer of our Company on January 15, 2021 and of our Subsidiary on April 1, 2021. He holds a bachelors’ degree in technology from the National Institute of Technology, Kurukshetra and has completed the post-graduate programme in management from the S. P. Jain Institute of Management and Research, Mumbai. He was previously associated with AXA Business Services Private Limited, Optum Global Solutions (India) Private Limited (*UnitedHealth Group*) and Wipro BPO (A division of *Wipro Limited*). During Fiscal 2021, he was paid a gross remuneration of ₹ 1.49 million.

**Anitha Manikantan** was appointed as the Senior Vice President & Head- Human Resources of our Company on March 5, 2020 and of our Subsidiary on April 1, 2021. She holds a bachelors’ degree in arts from Bangalore University, and a masters’ diploma in business administration from the Symbiosis Institute of Management Studies. She was previously associated with Cargill Business Services India Private Limited and Capgemini Business Services (India) Limited. During Fiscal 2021, she was paid a gross remuneration of ₹ 5.19 million.

**Megha Matoo** was appointed as the Chief Compliance Officer and Company Secretary of our Company on March 5, 2021. She holds bachelors’ degree in business management and has a bachelors’ degree in law from Bangalore University. She is also a fellow of the Institute of Company Secretaries of India, and has completed a certification in forensic audit and in prevention of sexual harassment, both awarded by the Institute of Company Secretaries of India. She was previously associated with MCML Systems Private Limited, Indegene Lifesystems Private Limited and Titan Industries Limited. During Fiscal 2021, she was paid a gross remuneration of ₹ 3.24 million (*including consultancy fees of ₹ 2.17 million*).

### Notes:

*As the liability for gratuity and compensated absence is provided on an actuarial basis for both the Company and the Subsidiary, as a whole, the amount pertaining to the Key Managerial Personnel is not ascertainable and, therefore not included above.*

*The total gross remuneration paid to Nikhil Chopra, as provided above, includes both remuneration paid from the Company and the Subsidiary.*

### **Contingent or deferred compensation**

No contingent or deferred compensation was paid to any of our Key Managerial Personnel for Fiscal 2021, by our Company or our Subsidiary.

### **Status of Key Managerial Personnel**

Except for Nikhil Chopra, Anitha Manikantan and Avaneesh Akhoury, who are permanent employees of our Subsidiary, all other Key Managerial Personnel are permanent employees of our Company.

### **Relationship among Key Managerial Personnel**

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

### **Bonus or profit sharing plan for the Key Managerial Personnel**

#### *Management incentive plan*

The Board of our Company has approved and adopted an employee incentive plan (“**Employee Incentive Plan**”). The Employee Incentive Plan seeks to, among other things, reward and retain critical, technical, functional and managerial talent necessary for our Company’s continued growth and success by incentivizing and recognizing certain employees of our Company and our Subsidiary, Medi Assist TPA, by paying them an incentive amount as ex gratia (net of applicable withholding tax). Pursuant to the Employee Incentive Plan, our Company and our Subsidiary shall disburse the ex gratia amount (net of applicable withholding tax) to certain eligible employees, which amount, not exceeding ₹ 76.70 million shall be reimbursed to our Company, and amount not exceeding ₹ 63.30 million shall be reimbursed to our Subsidiary, by certain Selling Shareholders and members of our Promoter Group, namely Dr. Vikram Jit Singh Chhatwal, Medimatter Health, BICH-II and Bessemer Health. The Employee Incentive Plan shall automatically terminate/ lapse in the event that the initial public offering of the Company is not successfully completed prior to December 31, 2021.

Except for the Employee Incentive Plan, there is no profit sharing plan for the Key Managerial Personnel offered by our Company or our Subsidiary.

### **Shareholding of Key Managerial Personnel in our Company**

Other than as provided under “*Capital Structure – Shareholding of our Directors and Key Managerial Personnel*”, none of our Key Managerial Personnel hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

### **Service Contracts with Key Managerial Personnel**

Our Key Managerial Personnel are governed by the terms of their appointment letters/employment contracts and have not entered into any other service contracts with our Company and our Subsidiary. No officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits, and to the extent of their interest in the employee stock options that have been granted or may be granted to them from time to time under the MAHS ESOP Scheme 2013 and other employee stock option schemes formulated by our Company from time to time.

### **Loans to and deposits from Key Managerial Personnel**

As on the date of this Draft Red Herring Prospectus, our Company and our Subsidiary have not advanced any loans and/or deposits to the Key Managerial Personnel nor has our Company or our Subsidiary taken any loan and or deposit from our Key Managerial Personnel.

## Interest of Key Managerial Personnel

Except for Dr. Vikram Jit Singh Chhatwal, as disclosed in “– *Interest of Directors*” and “– *Interest in Promotion of our Company*” on pages 170 and 171, Satish V.N. Gidugu, as disclosed in “– *Interest of Directors*” on page 170 and Nikhil Chopra, who is interested in the agreements such as Master License Agreement, Merger Implementation Agreement, Trademarks Assignment Agreement and GTM Agreement entered into with Mandala to the extent of being a director on the board of directors of Mandala, details of which are provided under “*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years*” and “*History and Certain Corporate Matters – Other Material Agreements*” on page 158 and 160, none of our Key Managerial Personnel have any interest in our Company and our Subsidiary except to the extent of their remuneration, benefits and reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel may be interested to the extent of the employee stock options that have been granted or may be granted to them from time to time under the MAHS ESOP Scheme 2013 and other employee stock option schemes formulated by our Company from time to time.

No loans have been availed by our Key Managerial Personnel from our Company or Subsidiary as on the date of this Draft Red Herring Prospectus.

## Arrangements and understanding with major Shareholders, customers, suppliers or others

Except for Dr. Vikram Jit Singh Chhatwal (*with respect to his appointment as Whole-time Director*), none of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or any other person. For details, please see “– *Arrangement or understanding with major shareholders*” on page 170.

## Changes in Key Managerial Personnel during the last three years

The changes in our Key Managerial Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below, other than changes to our Whole Time Directors, which is disclosed under – “*Changes in our Board during the last three years*” on page 171.

Name	Date	Reason
Avaneesh Akhoury	January 15, 2021	Appointment as Chief Operating Officer
Megha Matoo	March 5, 2021	Appointment as Chief Compliance Officer and Company Secretary
Mathew George	March 3, 2021*	Appointment as Chief Financial Officer
Satish V.N. Gidugu	March 1, 2021	Appointment as Chief Executive Officer
Megha Matoo	June 30, 2020	Resignation as Company Secretary
Anitha Manikantan	March 5, 2020	Appointment as Senior Vice President & Head- Human Resources
Subramanian Ramachandran	August 31, 2019	Resignation as Chief Financial Officer
Manoj Balaji Purushothaman	May 31, 2019	Resignation as Chief Operations Officer – Consumer Health
Himanshu Rastogi	December 1, 2018	Appointment as Chief Technology Officer
Nikhil Chopra	November 24, 2018	Appointment as Chief Business Officer
Megha Matoo	June 21, 2018	Appointment as Company Secretary

\* Appointed vide board resolution March 5, 2021

## Employee stock option and stock purchase schemes

For details of the employee stock option scheme of our Company, see “*Capital Structure – Employee Stock Option Scheme*” on page 80.

**Payment of non-salary related benefits to officers of our Company**

No amount or benefit has been paid or given to any officer of our Company including any Key Managerial Personnel within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

## OUR PROMOTERS AND PROMOTER GROUP

Dr. Vikram Jit Singh Chhatwal, Medimatter Health and BICH-II are the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters in aggregate hold 46,511,128 Equity Shares, representing 67.55 % of the issued, subscribed and paid-up Equity Share capital of our Company, on a fully diluted basis. For details of the build-up of our Promoters' shareholding in our Company, see "*Capital Structure - History of the share capital held by our Promoters*" on page 72.

The details of our Promoters are provided below:

### Details of our individual Promoter

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#### Dr. Vikram Jit Singh Chhatwal



Dr. Vikram Jit Singh Chhatwal, born on June 11, 1969, aged 51 years, is one of our Promoters and a Whole-time Director on the Board of our Company.

*Residential address:* Number 01B, First Floor, Sky Gardens, 12/1 Rhenius Street, Richmond Town, Bengaluru 560 025, Karnataka, India

*Permanent Account Number:* AAHPC1537H

*Aadhaar card number:* 7732 2283 1728

*Driving license number:* UP80 19921003905

For the complete profile of Dr. Vikram Jit Singh Chhatwal along with details of his educational qualification, experience in the business, positions/posts held in past, directorship, special achievements, his business and financial activities, see "*Our Management – Brief profiles of our Directors*" on page 168.

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Our Company confirms that the permanent account number, bank account number and passport number of Dr. Vikram Jit Singh Chhatwal shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus. Other than as disclosed under "*Promoter Group*" below, Dr. Vikram Jit Singh Chhatwal has no interest in any other venture.

### Details of our corporate Promoters

#### *Medimatter Health*

#### Corporate Information

Medimatter Health was incorporated as a private company limited by shares on February 9, 2009 under Companies Act 1956. Its registered office is situated at Tower D, 4<sup>th</sup> Floor, IBC Knowledge Park, 4/1 Bannerghatta Road, Bengaluru 560 029, Karnataka, India. It is involved in the business of supporting and running healthcare centres providing medical services. There has been no change in the nature of business of Medimatter Health since its incorporation.

One of our Promoters, Dr. Vikram Jit Singh Chhatwal and his wife Savita Choudhury, are the promoters of Medimatter Health and hold in aggregate 100% of the equity share capital of Medimatter Health.

As on the date of this Draft Red Herring Prospectus, Medimatter Health holds 19,240,428 Equity Shares (*out of which 537,080 Equity Shares are jointly held with Dr. Vikram Jit Singh Chhatwal*) constituting 23.13% of the pre-Offer Equity Share capital of our Company. For details in relation to the purchase of Equity Shares by Medimatter Health of our Company, see "*Capital Structure – History of the share capital held by our Promoters*" on page 72.

Our Company confirms that the permanent account number, bank account number, the corporate identity number and the address of the registrar of companies where Medimatter Health is registered, shall be submitted to the

Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

### **Details of change in control**

There has been no change in the control of Medimatter Health in the last three years preceding the date of this Draft Red Herring Prospectus.

### ***BICH-II***

#### **Corporate Information**

BICH-II, a company limited by shares, was incorporated on June 29, 2007 under the Mauritius Companies Act 2001, with the registrar of companies file number of 072299 C1/GBL. Its registered office is located at Sanne House Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Republic of Mauritius. BICH-II is primarily engaged in the business of investment holdings, holding investments in India and other Asian countries and in the global market including the United States of America. BICH-II has not changed its activities from the date of its incorporation.

As on the date of this Draft Red Herring Prospectus, BICH-II holds 24,731,608 Equity Shares constituting 35.92% of the pre-Offer Equity Share capital of our Company. For details in relation to the purchase of Equity Shares by BICH-II of our Company, please see “*Capital Structure - History of the share capital held by our Promoters*” on page 72.

BICH-II does not have any promoter and is managed by its board of directors. Further, there are no natural persons in control who hold 15% or more voting rights in BICH-II.

Our Company confirms that the permanent account number, bank account number(s) and corporate identification number of BICH-II and the address of the registrar of companies where BICH-II is registered, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

#### **Shareholding pattern**

The shareholding pattern of BICH-II is as follows:

<b>Sr. No.</b>	<b>Name of Shareholder</b>	<b>Percentage of Shareholding (%)</b>
1.	Bessemer Venture Partners VII Institutional, L.P.	23%
2.	Bessemer Venture Partners VII L.P.	15%
3.	Bessemer Venture Partners VII Special Opportunity Fund L.P.	13%
4.	Bessemer Venture Partners IX, L.P.	9%
5.	Bessemer Venture Partners VIII Institutional, L.P.	9%
6.	Bessemer Venture Partners VIII L.P.	8%
7.	Bessemer Venture Partners X Institutional, L.P.	8%
8.	Bessemer Venture Partners X, L.P.	8%
9.	Bessemer Venture Partners IX Institutional, L.P.	7%

#### **Board of directors**

As on the date of this Draft Red Herring Prospectus, the board of directors of BICH-II comprises of:

1. Sandra Grippo;
2. Gulshan Raj Ramgoolam;
3. Nadia Buonocore;
4. Arunagirinatha Runghien; and
5. Salma Deenoo.

#### **Details of change in control**



There has been no change in the control of BICH-II in the last three years preceding the date of this Draft Red Herring Prospectus.

#### ***Change in control of our Company***

While there has been no change in control of our Company in the last five years, Dr. Vikram Jit Singh Chhatwal, Medimatter Health and BICH-II have been identified as Promoters of our Company pursuant to the resolution dated March 5, 2021 approved by our Board and resolution dated March 15, 2021 by our Shareholders.

#### ***Experience of our Promoters in the business of our Company***

Due to the nature of their respective core business activities, our corporate Promoters, Medimatter Health and BICH-II, may not have adequate experience in the business activities undertaken by our Company. Please see “***Risk Factors – Our corporate Promoters may not have adequate experience in the business activities undertaken by our Company***” on page 44.

#### **Interest of our Promoters**

- (a) Our Promoters are interested in our Company to the extent (i) that they have promoted our Company (ii) of their shareholding in our Company, (ii) being directors of our Company and our Subsidiary or nominating directors on our Board and the board of directors of our Subsidiary and receiving sitting fee and commission for attending meetings of our Board and its committees; (iii) dividends payable (if any) and any other distributions in respect of the Equity Shares held by them in our Company; and (iv) their business interest in our Company. For details of the Promoters’ shareholding in our Company and aforementioned Directors nominated on the Board, see “***Capital Structure - History of the share capital held by our Promoters***” and “***Our Management – Our Board***” beginning on pages 72 and 165, respectively. For details of the business interest of our Promoters, see “***- Interest of Our Promoter-Business Interest of our Promoters***” beginning on page 185.
- (b) None of our Promoters have any interest in any property acquired by our Company in the preceding three years or proposed to be acquired by our Company, as on the date of this Draft Red Herring Prospectus.
- (c) Our Promoters are not interested as a member of a firm or a company (other than our Company) and no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which our Promoters are members, in cash or shares or otherwise by any person for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.
- (d) None of our Promoters have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

#### ***Business interest of our Promoters***

Pursuant to an order by the National Company Law Tribunal, Bengaluru Bench vide order no. C.P. (CAA) No. 06/BB/2020 dated November 4, 2020 the consumer facing health and wellness division of our Company has been demerged into Mandala. Our Promoters Dr. Vikram Jit Singh Chhatwal and BICH-II are shareholders of Mandala. Further, pursuant to a scheme of arrangement dated February 7, 2020 filed before the National Company Law Tribunal, Chennai Branch and the National Company Law Tribunal, Bengaluru Branch, Mandala is proposed to be merged into Phasorz. BICH-II currently holds 2.79% compulsorily convertible preferential shares in Phasorz. Subject to the approval of the National Company Law Tribunal, Chennai Branch, of the scheme of arrangement, both BICH-II and Dr. Vikram Jit Singh Chhatwal will be issued shares of Phasorz, in consideration for their respective shareholding in Mandala. Our Company and Phasorz have entered into certain licensing agreements and trademark assignment agreements. For details, see “***Financial Statements – Note 41 – Related party disclosures***” on page 256. Our Company and Phasorz have also entered into the GTM Agreement, details of which are disclosed under “***History and Certain Corporate Matters – Other Material Agreements***” on page 160.

Further, Medimatter Health and Dr. Vikram Jit Singh Chhatwal, in his capacity as both the shareholder and the director on the board of Medimatter Health, were interested in the certain consulting service agreements entered between our Company and Medimatter Health in financial years 2019, 2020 and 2021, pursuant to which, our Company has availed certain management consultancy services from Medimatter Health. For details, please see and “***Our Management – Interests of Directors***” on page 170 and “***Financial Statements – Note 41 – Related party disclosures***” on page 256.

Medimatter Health and Dr. Vikram Jit Singh Chhatwal, in his capacity as the shareholder in Medimatter Health, are interested to the extent of repayment of certain non-convertible debentures (*including interest*) by our Company to Medimatter Health. As on the date of filing this Draft Red Herring Prospectus, all non-convertible debentures have been redeemed. For details, see “*Our Management – Interests of Directors*” on page 170, and “*Financial Statements – Note 41 – Related party disclosures*” on page 256.

#### **Payment or benefits to our Promoters**

Except for as disclosed in “*-Interest of our Promoters - Business interest of our Promoters*” on page 185 and “*Financial Statements – Note 41 – Related party disclosures*” on page 256, our Company has not entered into any contract, agreements or arrangements in the preceding two years in which our Promoters are directly or indirectly interested, nor does our Company propose to enter into any such contract, arrangement or agreements in which our Promoters are directly or indirectly interested and no payments or benefits are intended to be made to the Promoters and the members of the Promoter Group or have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

#### **Material Guarantees given by our Promoters**

Our Promoters have not given any material guarantees to any third parties with respect to the Equity Shares, as on the date of this Draft Red Herring Prospectus.

#### **Disassociation by our Promoters in the three immediately preceding years**

Our Promoters, Dr. Vikram Jit Singh Chhatwal and Medimatter Health have not disassociated themselves from any companies or firms during the three immediately preceding years.

Further, except for the sale of shares of portfolio companies in the ordinary course of business, BICH-II has not disassociated with any company or firms during the three immediately preceding years.

#### **Promoter Group**

Details of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations (excluding our Promoters) are provided below:

##### **A. *Natural persons who are part of the Promoter Group***

The natural persons who are part of the Promoter Group (due to their relationship with our individual Promoters), other than our Promoters, are as follows:

1. Ashok Kumar Choudhury;
2. Geetali Chhatwal Jonsson;
3. Harita Gupta;
4. Maya Choudhury;
5. Meher Savika Chhatwal;
6. Mira Mallika Chhatwal;
7. Nikhil Choudhury;
8. Savitri Choudhury;
9. Sushma Chhatwal; and
10. Uttara Choudhury.

##### **B. *Entities forming part of the Promoter Group***

The entities forming part of our Promoter Group are as follows:

1. Bessemer Health Capital LLC;
2. Bessemer India Capital OGPL Ltd.
3. Bessemer Venture Partners Trust;
4. Bessemer Venture Partners VII Institutional, L.P.;
5. Major General M J S Chhatwal HUF;
6. Manas Factories Combine (Private) Limited;
7. Manas Products (Protein) Private Limited;
8. Manas Traders;
9. Mandala Wellness Private Limited;
10. Medi Assist Private Limited;
11. Pathfinder Mauritius Limited;
12. Perfios Software Solutions Private Limited; and
13. VSMM Consultants Private Limited.

## OUR GROUP COMPANIES

Pursuant to a resolution of our Board dated May 8, 2021 and as per the SEBI ICDR Regulations, for the purpose of identification of Group Companies, our Company has considered the companies (other than our corporate Promoters and Subsidiary) with which (i) there were related party transactions as disclosed in the Restated Financial Statements; and (ii) other companies considered material by our Board pursuant to the Materiality Policy. For the purposes of (ii) above, and in accordance with our Materiality Policy, for the purposes of disclosure in the offer documents, a company shall be considered material and disclosed as a Group Company if a) our Company has entered into related party transactions as described under Ind AS 24 with such company during any of the financial periods being included in the Draft Red Herring Prospectus; or b) it is a member of the Promoter Group (other than the corporate Promoters) and has entered into one or more transactions with the Company during the period for which financial information is disclosed in this Draft Red Herring Prospectus and individually or in the aggregate, exceed 10% of the total consolidated income of the Company for such period.

As on the date of this Draft Red Herring Prospectus, based on the above, we have the following Group Companies:

### 1. *Mandala Wellness Private Limited (“Mandala”)*

#### *Corporate Information*

Mandala is a private limited company and was incorporated on July 12, 2019 under the Companies Act 2013. The CIN of Mandala is U85320KA2019PTC126147.

#### *Nature of activities*

In accordance with the provisions of the objects clause of its memorandum of association, Mandala is authorized to run the business of healthcare, and is currently engaged in the business of supporting and running healthcare centres providing medical services.

#### *Financial Performance*

The financial information derived from the audited financial results of Mandala for Fiscal 2020 is set forth below.

Particulars	<i>(in ₹ million, except per share data)</i>		
	As on March 31, 2020	As on March 31, 2019*	As on March 31, 2018*
Equity capital	0.10	-	-
Reserves (excluding revaluation reserve)	(0.14)	-	-
Sales	-	-	-
Profit/(Loss) after tax	(0.14)	-	-
Earnings per share (basic) (face value of ₹10)	(14.42)	-	-
Earnings per share (diluted) (face value of ₹10)	(14.42)	-	-
Net asset value	(0.04)	-	-
Net asset value per equity share in ₹**	(4.42)	-	-

\*Mandala was incorporated on July 12, 2019, and hence it has prepared its first financial statements during Fiscal 2020. Therefore, the columns pertaining to Fiscal 2019 and 2018 are not applicable.

\*\*Net Asset Value per equity share means “Total Net Asset Value” of Mandala divided by weighted average number of equity shares used for calculating Earnings Per Share. “Total Net Asset Value” means aggregate of share capital and reserve and surplus.

There are no significant notes by the auditors of Mandala in relation to the above mentioned financial information.

### 2. *Phasorz Technologies Private Limited (“Phasorz”)*

#### *Corporate Information*

Phasorz is a private limited company and was incorporated on July 31, 2013 under the Companies Act, 1956. The CIN of Phasorz is U72300TN2013PTC092385.

#### *Nature of activities*

In accordance with the provisions of the objects clause of its memorandum of association, Phasorz is permitted to engage in the business of wellness services, and is currently engaged in the business of providing healthcare and wellness services.

#### Financial Performance

The financial information derived from the audited financial results of Phasorz for Fiscal 2020, 2019 and 2018 are set forth below.

*(in ₹ million, except per share data)*

Particulars	As on March 31, 2020	As on March 31, 2019	As on March 31, 2018
Equity capital	131.50	131.50	131.36
Reserves (excluding revaluation reserve)	(626.39)	(39.74)	193.57
Sales	161.66	85.20	27.30
Profit/(Loss) after tax	(842.40)	(271.63)	(123.34)
Earnings per share (basic) (face value of ₹10)	(197.57)	(63.81)	(29.00)
Earnings per share (diluted) (face value of ₹10)	(197.57)	(63.81)	(9.54)
Net asset value	(494.89)	91.76	324.93
Net asset value per equity share in ₹*	(116.07)	21.55	76.45

*Net Asset Value per equity share means "Total Net Asset Value" of Phasorz divided by weighted average number of equity shares used for calculating Earnings Per Share. "Total Net Asset Value" means aggregate of share capital and reserve and surplus*

Except as disclosed below, there are no significant notes by the auditors of Phasorz in relation to the above-mentioned financial information.

#### Emphasis of Matter included in the audit report for the financial year ended March 31, 2020

*We draw your attention to note 2.34 in the accompanying financial statements for the year ended March 31 2020 being prepared on a going concern basis, the fact that the company's Net worth is eroded (The Net worth as at 31 March 2020 is Negative 494,892,504). This may have impact on the going concern of the company. In lieu of the support from the shareholders/existing investors for meeting its obligations (including statutory liabilities). The management has assessed that the company continues to be going concern. Our opinion is not modified in respect of the said matter.*

*We draw your attention to note 2.35 in the accompanying financial statements for the year ended March 31, 2020, which provides management's evaluation of Covid-19 impact of the future business and future cash flows of the company. Considering the current situation, future economic conditions is uncertain and is yet to be evolved. Our opinion is not modified in respect of this matter.*

*Caro comments which for part of Annexure A referred to in the audit report for the financial year ended March 31, 2021:*

*i) (a) The company has not maintained proper records showing full particulars, quantitative details and situation of fixed assets owned.*

*(b) These fixed assets have not been physically verified by the management at reasonable intervals, as per the assets verification program having regard to the size of the company and the nature of its assets.*

*(ii) (a) According to the information and explanations given to us and on the basis of our examinations of the records of the company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income – tax, duty of customs, cess, Goods and Service Tax and other material statutory dues have not been regularly deposited during the year by the company with the appropriate authorities.*

*According to the information and explanations given to us, no disputed amounts payable in respect of provident fund, income – tax, duty of customers, cess, Goods and Service Tax and other material statutory dies were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable except stated below:*

Name of statute	Nature of dues	Amount due (in Rupees)	Remarks
Income Tax Act, 1961	Tax deducted under section 194A (on interest)	1,42,686	Subsequently paid

<i>The Employees Provident Funds and Miscellaneous Provisions' Act, 1952</i>	<i>Monthly deduction from employees &amp; employer contribution for the same</i>	1,60,490	-
<i>Employees State Insurance Act, 1948</i>	<i>Monthly deduction from employees &amp; employer contribution for the same</i>	8,434	-

### 3. **Buddhimed Technologies Private Limited (“Buddhimed”)**

#### *Corporate Information*

Buddhimed is a private limited company and was incorporated on April 8, 2019 under the Companies Act 2013. The CIN of Buddhimed is U74999KA2019PTC123269.

#### *Nature of activities*

In accordance with the provisions of the objects clause of its memorandum of association, Buddhimed is permitted to engage in the business of providing data modelling services in the health and wellness sector, and is currently engaged in the business of developing machine learning solutions and analytics tools using very large sets of Indian healthcare data to improve decision making in clinical medicine and healthcare delivery systems.

#### *Financial Performance*

The financial information derived from the audited financial results of Buddhimed for Fiscal 2020, 2019 and 2018 are set forth below.

*(in ₹ million, except per share data)*

<b>Particulars</b>	<b>As on March 31, 2020</b>	<b>As on March 31, 2019*</b>	<b>As on March 31, 2018*</b>
Equity capital	0.10	-	-
Reserves (excluding revaluation reserve)	(29.81)	-	-
Sales	2.16	-	-
Profit/(Loss) after tax	(30.76)	-	-
Earnings per share (basic) (face value of ₹10)	(3,075.78)	-	-
Earnings per share (diluted) (face value of ₹10)	(3,075.78)	-	-
Net asset value	(29.71)	-	-
Net asset value per equity share in ₹**	(2,971.00)	-	-

\* Buddhimed was incorporated on April 8, 2019, and hence it has prepared its first financial statements during Fiscal 2020. Therefore, the columns pertaining to Fiscal 2019 and 2018 are not applicable.

\*\*Net Asset Value per equity share means “Total Net Asset Value” of Buddhimed divided by weighted average number of equity shares used for calculating Earnings Per Share. “Total Net Asset Value” means aggregate of share capital and reserve and surplus

There are no significant notes by the auditors of Buddhimed in relation to the above-mentioned financial information.

#### **Listing of securities**

The securities of our Group Companies are not listed on any stock exchange. Further, there has not been any refusal of listing of any securities of our Group Companies during last ten years by any of the stock exchanges in India or abroad. Accordingly, there are no pending investor grievances against any of our Group Companies.

#### **Details of losses incurred by our Group Companies**

Mandala has incurred a loss of ₹ 0.14 million in Fiscal 2020. Phasorz has incurred losses of ₹ 842.40 million in Fiscal 2020, ₹ 271.63 million in Fiscal 2019 and ₹ 123.34 million in Fiscal 2018. Buddhimed has incurred a loss of ₹ 30.76 million in Fiscal 2020

#### **Sick, Winding up/ Insolvency proceedings**

As on the date of this Draft Red Herring Prospectus, our Group Companies have not been declared sick or defunct within the meaning of the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, and have not been referred to the Board of Industrial and Financial Reconstruction or the National Company Law Tribunal, and are not under the corporate insolvency resolution process in terms of the Insolvency and Bankruptcy Code, 2016, as

amended.

### **Defunct Group Company**

During the five years immediately preceding the date of this Draft Red Herring Prospectus, our Group Companies have not remained defunct and no application has been made to the relevant registrar of companies for striking off their names.

### **Nature and extent of interests of our Group Companies**

Except for certain business agreements (including the GTM Agreement, licensing agreements and trademark assignment agreements) that our Company has entered into with some of our Group Companies in the ordinary course of its business, none of our Group Companies have any business interest in our Company including an interest in any property acquired by our Company within the three years preceding the date of filing this Red Herring Prospectus or proposed to be acquired by it, or any interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery, etc. For further details in respect of arrangements entered with some of Group Companies, please see “*Financial Statements – Note 41 – Related party disclosures*” and “*History and Certain Corporate Matters – Other Material Agreements*” on pages 256 and 160, respectively.

None of our Group Companies have any interest in the promotion or formation of our Company.

### **Related Party Transactions**

Except as set forth in “*Financial Statements – Note 41 – Related party disclosures*” on page 256, no other related party transactions have been entered into between our Group Companies and our Company.

### **Common pursuits of our Group Companies**

Mandala and Phasorz are involved in the same line of business as that of our Company and are enabled under their memorandum of association to carry on similar activities as those of our Company. As on the date of this Draft Red Herring Prospectus, there are no common pursuits amongst our Group Companies and our Company.

### **Litigation**

As on date of this Draft Red Herring Prospectus, our Group Companies are not parties to any pending litigation which will have a material impact on our Company.

### **Utilisation of Offer Proceeds**

There are no material existing or anticipated transactions in relation to utilisation of the offer proceeds with our Group Companies.

## DIVIDEND POLICY

The declaration and payment of dividend on the Equity Shares will be recommended by our Board and approved by our Shareholders, at their discretion subject to the provisions of the Articles of Association and applicable law, including (i) the Companies Act 2013; (ii) Insurance Act 1938, as amended by Insurance Laws (Amendment) Act, 2015 and the regulations made thereunder; and (iii) Insurance Regulatory and Development Authority of India (Third Party Administrators - Health Services) Regulations, 2016 and rules made thereunder, to the extent applicable to our Company, and the Listing Regulations to the extent applicable to insurance companies.

The dividend distribution policy of our Company was approved and adopted by our Board pursuant to its resolution dated March 5, 2021.

Our dividend distribution policy stipulates certain financial parameters and internal and external factors which will be considered before declaration of dividend by our Board. Such parameters and factors include, among others, growth in revenue from operations, total income, EBIDTA, PAT, EBIDTA margin, PAT margin, profitability, tax implications on distribution of dividend, capital expenditure requirements, capital market conditions and such other factors and or material events which our Board may consider. In terms of our dividend distribution policy, our Company shall endeavor, subject to the Companies Act 2013 and the conditions prescribed therein, the financial parameters and internal and external factors mentioned in our dividend distribution policy, to pay between 50 % to 75% of the profit after tax of our Company for the relevant financial year as dividend. In accordance with our dividend distribution policy and in addition to the above, our Board may, at its discretion, subject to the Companies Act 2013 and the conditions prescribed therein, in case of availability of free cash after considering payout of dividend from current year's profits, consider an additional payout of up to 25% of the consolidated net worth of our Company, being in the nature of distribution of profits from retained earnings of prior years, subject to the availability of free cash after considering payout of dividend mentioned above from the relevant financial year's profits. For details in relation to our ability to pay dividends, see "***Risk Factor - Our ability to pay dividends in the future will depend on our profitability and the financial performance of our Subsidiary***" on page 41.

As per our dividend distribution policy, the dividend shall be paid only in cash form by banker's cheque or 'payable-at-par' warrant or through use of any electronic mode of payment facility approved by the Reserve Bank of India from time to time. Further, where the amount payable as dividend exceeds ₹ 1,500, the payable-at-par warrants or cheques shall be sent by speed post.

Our Company has not paid any dividend for Fiscals 2018, 2019 and 2020 and for the nine months ended December 31, 2020. Further, our Company has not paid any dividend from December 31, 2020 till the date of this Draft Red Herring Prospectus.



**SECTION V – FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors

Medi Assist Healthcare Services Limited (*formerly known as Medi Assist Healthcare Services Private Limited*)

Tower "D", 4th Floor, IBC Knowledge Park,

4/1, Bannerghatta Road,

Bangalore – 560 029

Dear Sirs,

- 1 We have examined the attached Restated Consolidated Financial Information of Medi Assist Healthcare Services Limited (*formerly known as Medi Assist Healthcare Services Private Limited*) (the "Company" or the "Holding Company" or the "Issuer") and its subsidiary (the Company and its subsidiary together referred to as "the Group") comprising the Restated Consolidated Balance Sheet as at 31 December 2020, 31 December 2019, 31 March 2020, 31 March 2019 and 31 March 2018, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the period beginning 1 April 2020 to 31 December 2020 and 1 April 2019 to 31 December 2019 and for the years ended 31 March 2020, 31 March 2019 and 31 March 2018, and the summary statement of significant accounting policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 8 May 2021 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offering of equity shares through an offer for sale by certain shareholders of the Company ("Proposed Offer") prepared in terms of the requirements of:
  - (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
- 2 The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India ("SEBI"), the stock exchanges where the equity shares of the Company are proposed to be listed ("**Stock Exchanges**") and the Registrar of Companies, Karnataka, situated at Bangalore ("**RoC**"), in connection with the Proposed Offer. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2A of Annexure V to the Restated Consolidated Financial Information.

The respective Board of Directors of the companies included in the Group responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors of the companies are also responsible for identifying and ensuring that the Group complies with the Act, the ICDR Regulations and the Guidance Note.

- 3 We have examined such Restated Consolidated Financial Information taking into consideration:
  - (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 12 April 2021, in connection with the proposed offer;
  - (b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - (c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
  - (d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed offer.
  
- 4 These Restated Consolidated Financial Information have been compiled by the management from:
  - (a) Audited special purpose interim consolidated financial statements of the Group as at and for the nine months period ended 31 December 2020 and 31 December 2019 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Financial Statements") which have been approved by the Board of Directors at their meeting held on 8 May 2021; and
  - (b) the audited consolidated financial statements of the Group as at and for the year ended 31 March 2020, 31 March 2019 and 31 March 2018 prepared in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, (the "consolidated financial statements"), which have been approved by the Board of Directors at their Board meetings held on 23 December 2020, 28 June 2019 and 21 June 2018 respectively.
  
- 5 For the purpose of our examination, we have relied on Auditors' reports issued by us dated 8 May 2021, 23 December 2020, 28 June 2019 and 21 June 2018 on the consolidated financial statements of the Group as at and for the nine months period ended 31 December 2020 and 31 December 2019 and as at and for the years ended 31 March 2020, 31 March 2019 and 31 March 2018 as referred in paragraph 4 above.

- 6 The Auditors' report on the consolidated financial statements as at and for the year ended 31 March 2020 issued by us contained the following Emphasis of Matter paragraph:

We draw attention to Note 37 to the consolidated financial statements regarding the Scheme of Arrangement ('Scheme') for demerger of Consumer Health Business of the Company. The Scheme has been approved by the National Company Law Tribunal ('NCLT') vide its order dated 4 November 2020 with appointed date of 1 September 2019 and a certified copy has been filed by the Company with the Registrar of Companies, Karnataka, on 4 December 2020. In accordance with the scheme approved by NCLT, the Company has given effect to the Scheme from the retrospective appointed date specified therein which overrides the relevant requirement of Ind AS 10 (according to which the scheme would have been accounted for from 4 November 2020 which is the date of transfer as per the aforesaid standard). The financial impact of the aforesaid treatment has been disclosed in the aforesaid note.

Our opinion is not modified in respect of this matter.

- 7 Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
- (a) have been prepared after incorporating adjustments for the change in accounting policies and regrouping/ reclassifications retrospectively in the financial years ended 31 March 2020, 31 March 2019, 31 March 2018 and for the period beginning 1 April 2019 to 31 December 2019 to reflect the same accounting treatment as per the accounting policies and grouping/ classifications followed as at and for the nine months period ended 31 December 2020;
  - (b) does not contain any qualifications requiring adjustments. However, those qualifications in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VII to the Restated Consolidated Financial Information; and
  - (c) have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
- 8 The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim consolidated financial statements and audited consolidated financial statements mentioned in paragraph 4 above.
- 9 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.
- 10 We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11 Our report is intended solely for use of the Board of Directors and for inclusion in the DRHP to be filed with SEBI, Stock exchanges and RoC in connection with the proposed offer. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

*for* **B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm's Registration No: 101248W/W-100022

**Vikash Gupta**

*Partner*

Membership No.: 064597

ICAI UDIN: 21064597AAAABG6483

Place: Bengaluru

Date: 8 May 2021

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**
**Annexure I - Restated Consolidated Balance Sheet**
*(All amounts are in Indian Rupees in millions, unless otherwise stated)*

Particulars	Notes	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>						
<b>Non-current assets</b>						
Property, plant and equipment	4	282.42	283.99	318.45	298.17	206.56
Right-of-use assets	5 (a)	286.26	325.66	354.95	388.89	399.80
Goodwill	6	409.80	409.80	409.80	409.80	367.39
Other intangible assets	7	252.97	283.85	296.37	324.16	347.45
Intangible assets under development	7	-	36.12	13.82	32.49	-
Financial assets	8					
Investments	8 (a)	62.51	162.02	152.35	134.58	232.10
Loans receivable	8 (b)	55.42	62.86	55.97	50.02	82.17
Other financial assets	8 (c)	35.54	6.04	22.88	5.70	58.46
Income tax assets, (net)	9	647.89	756.04	836.68	687.16	413.45
Deferred tax assets (net)	10	38.15	32.59	29.52	43.25	3.22
Other non-current assets	11	17.66	4.48	12.00	0.29	19.58
<b>Total non-current assets</b>		<b>2,088.62</b>	<b>2,363.45</b>	<b>2,502.79</b>	<b>2,374.51</b>	<b>2,130.18</b>
<b>Current assets</b>						
Financial assets	12					
Investments	12 (a)	329.02	708.20	566.80	745.75	680.10
Trade receivables	12 (b)	607.76	638.25	678.84	901.91	976.61
Unbilled receivables <i>(considered unsecured)</i>		958.34	835.97	758.38	908.45	755.92
Cash and cash equivalents	12 (c)	327.12	157.89	139.95	98.66	59.71
Bank balances other than cash and cash equivalents	12 (d)	649.20	58.14	251.39	36.97	60.50
Loans receivable	12 (e)	17.80	7.81	13.46	11.61	15.01
Other financial assets	12 (f)	196.19	186.72	581.71	51.90	9.18
Other current assets	13	97.20	98.66	88.42	77.86	114.97
<b>Total current assets</b>		<b>3,182.63</b>	<b>2,691.64</b>	<b>3,078.95</b>	<b>2,833.11</b>	<b>2,672.00</b>
Assets classified as held for sale	47	150.76	-	-	-	-
<b>Total assets</b>		<b>5,422.01</b>	<b>5,055.09</b>	<b>5,581.74</b>	<b>5,207.62</b>	<b>4,802.18</b>
<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>						
Equity share capital	14	0.36	0.36	0.36	0.36	0.35
Other equity	15	2,452.47	2,094.23	2,124.01	2,178.05	2,041.40
<b>Total equity attributable to owners of the Company</b>		<b>2,452.83</b>	<b>2,094.59</b>	<b>2,124.37</b>	<b>2,178.41</b>	<b>2,041.75</b>
Non-controlling interest		21.57	21.57	21.57	21.57	33.28
<b>Total equity</b>		<b>2,474.40</b>	<b>2,116.16</b>	<b>2,145.94</b>	<b>2,199.98</b>	<b>2,075.03</b>
<b>LIABILITIES</b>						
<b>Non-current liabilities</b>						
Financial liabilities	16					
Lease liabilities	5 (b)	294.92	332.05	341.67	382.04	395.76
Borrowings	16 (a)	-	1.73	1.77	1.60	1.44
Provisions	17	85.92	67.58	72.87	61.81	38.21
Deferred tax liabilities (net)	10	-	-	-	13.16	3.74
<b>Total non-current liabilities</b>		<b>380.84</b>	<b>401.36</b>	<b>416.31</b>	<b>458.61</b>	<b>439.15</b>
<b>Current liabilities</b>						
Financial liabilities						
Lease liabilities	5 (b)	75.89	66.83	85.82	75.44	47.72
Borrowings	18 (a)	717.50	548.00	717.50	523.00	523.00
Trade payables	18 (b)					
total outstanding dues to micro enterprises and small enterprises		6.69	3.78	0.48	-	-
total outstanding dues to creditors other than micro enterprises and small enterprises		351.15	346.18	386.42	657.39	491.21
Other financial liabilities	18 (c)	37.64	417.84	418.16	98.40	140.08
Contract liabilities		1,125.48	938.03	1,102.76	984.57	833.97
Other current liabilities	19	224.85	193.04	279.37	189.05	224.89
Provisions	20	27.57	23.87	28.98	21.18	27.13
<b>Total current liabilities</b>		<b>2,566.77</b>	<b>2,537.57</b>	<b>3,019.49</b>	<b>2,549.03</b>	<b>2,288.00</b>
<b>Total liabilities</b>		<b>2,947.61</b>	<b>2,938.93</b>	<b>3,435.80</b>	<b>3,007.64</b>	<b>2,727.15</b>
<b>Total equity and liabilities</b>		<b>5,422.01</b>	<b>5,055.09</b>	<b>5,581.74</b>	<b>5,207.62</b>	<b>4,802.18</b>

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our examination report of even date attached.

for **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

for and on behalf of the Board of Directors of

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**

**Vikash Gupta**

Partner

Membership No: 064597

**Dr. Vikram Jit Singh Chhatwal**

Chairman and Whole Time Director

DIN: 01606329

**Satish V N Gidugu**

Whole Time Director and CEO

DIN: 06643677

**Mathew George**

Chief Financial Officer

**Megha Matoo**

Chief Compliance Officer and Company Secretary

ICSI Membership No: F-10665

Place: Bengaluru

Date: 8 May 2021

Place: Bengaluru

Date: 8 May 2021

Place: Bengaluru

Date: 8 May 2021

Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)

Annexure II - Restated Consolidated Statement of Profit and Loss

(All amounts are in Indian Rupees in millions, unless otherwise stated)

Particulars	Notes	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Continuing operations</b>						
<b>Income</b>						
Revenue from operations	21	2,422.04	2,330.14	3,185.85	2,768.19	2,317.57
Other income	22	152.40	121.42	118.22	43.50	98.22
<b>Total income</b>		<b>2,574.44</b>	<b>2,451.56</b>	<b>3,304.07</b>	<b>2,811.69</b>	<b>2,415.79</b>
<b>Expenses</b>						
Employee benefits	23	1,107.71	998.23	1,348.81	1,076.08	893.71
Finance costs	24	36.88	25.90	36.86	42.81	35.46
Depreciation and amortisation expenses	25	220.35	190.86	265.06	231.62	186.62
Other expenses	26	675.26	731.58	1,019.70	867.18	661.44
<b>Total expenses</b>		<b>2,040.20</b>	<b>1,946.57</b>	<b>2,670.43</b>	<b>2,217.69</b>	<b>1,777.23</b>
<b>Profit before exceptional item and tax from continuing operations</b>		<b>534.24</b>	<b>504.99</b>	<b>633.64</b>	<b>594.00</b>	<b>638.56</b>
Less: Exceptional item	43	-	-	-	113.30	-
<b>Profit before tax for the period/ year from continuing operations</b>		<b>534.24</b>	<b>504.99</b>	<b>633.64</b>	<b>480.70</b>	<b>638.56</b>
<b>Income tax expense:</b>						
Current tax	36	147.76	149.99	234.63	174.18	176.31
Deferred tax charge/ (credit)		5.60	3.00	7.30	(23.22)	23.48
		<b>153.36</b>	<b>152.99</b>	<b>241.93</b>	<b>150.96</b>	<b>199.79</b>
<b>Profit after tax for the period/ year from continuing operations</b>		<b>380.88</b>	<b>352.00</b>	<b>391.71</b>	<b>329.74</b>	<b>438.77</b>
<b>Discontinued operations (Refer Note 37(i) and (ii))</b>						
Loss for the period/ year from discontinued operations	37	(62.07)	(51.92)	(57.01)	(88.24)	(46.59)
Tax credit from discontinued operations		12.13	10.32	10.96	20.39	12.22
<b>Loss after tax for the period/ year from discontinued operations</b>		<b>(49.94)</b>	<b>(41.60)</b>	<b>(46.05)</b>	<b>(67.85)</b>	<b>(34.37)</b>
<b>Profit after tax for the period/ year</b>		<b>330.94</b>	<b>310.40</b>	<b>345.66</b>	<b>261.89</b>	<b>404.40</b>
<b>Other comprehensive (loss)/ income</b>						
<b>Items that will not be reclassified subsequently to the statement of the profit and loss</b>						
Re-measurement of defined benefit (assets)/ liabilities		(5.95)	(12.90)	(16.69)	(11.82)	(2.62)
Fair value changes in equity instrument through other comprehensive income		2.07	(18.56)	(21.46)	(38.20)	(17.05)
Income tax relating to items that will not be reclassified subsequently to statement of profit and loss		1.22	6.77	8.00	7.37	6.81
<b>Total other comprehensive loss for the period/ year, net of income tax</b>		<b>(2.66)</b>	<b>(24.69)</b>	<b>(30.15)</b>	<b>(42.65)</b>	<b>(12.86)</b>
<b>Total comprehensive income for the period/ year</b>		<b>328.28</b>	<b>285.71</b>	<b>315.51</b>	<b>219.24</b>	<b>391.54</b>
<b>Earnings per share for continuing operations [Face value of Rs. 5 per share (31 December 2019: Rs. 5 per share; 31 March 2020: Rs. 5 per share; 31 March 2019: Rs. 5 per share; 31 March 2018: Rs. 5 per share)]</b>						
Basic	28	5.70	5.27	5.86	4.93	6.57
Diluted		5.64	5.22	5.81	4.90	6.51
<b>Earnings per share for discontinued operations [Face value of Rs. 5 per share (31 December 2019: Rs. 5 per share; 31 March 2020: Rs. 5 per share; 31 March 2019: Rs. 5 per share; 31 March 2018: Rs. 5 per share)]</b>						
Basic		(0.75)	(0.62)	(0.69)	(1.02)	(0.51)
Diluted		(0.75)	(0.62)	(0.69)	(1.02)	(0.51)
<b>Earnings per share for continuing and discontinued operations [Face value of Rs. 5 per share (31 December 2019: Rs. 5 per share; 31 March 2020: Rs. 5 per share; 31 March 2019: Rs. 5 per share; 31 March 2018: Rs. 5 per share)]</b>						
Basic		4.95	4.65	5.17	3.92	6.05
Diluted		4.90	4.61	5.13	3.89	6.00

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our examination report of even date attached.

for **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

for and on behalf of the Board of Directors of

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**

**Vikash Gupta**

Partner

Membership No: 064597

**Dr. Vikram Jit Singh Chhatwal**

Chairman and Whole Time Director

DIN: 01606329

**Satish V N Gidugu**

Whole Time Director and CEO

DIN: 06643677

**Mathew George**

Chief Financial Officer

Place: Bengaluru

Date: 8 May 2021

**Megha Matoo**

Chief Compliance Officer and Company Secretary

ICSI Membership No: F-10665

Place: Bengaluru

Date: 8 May 2021

A. Equity share capital

Particulars	As at 31 December 2020		As at 31 December 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the period/ year	36,082	0.36	36,082	0.36	36,082	0.36	34,717	0.35	34,717	0.35
Shares issued under rights issue*	-	-	-	-	-	-	1,365	0.01	-	-
<b>Balance at the end of the reporting period/ year</b>	<b>36,082</b>	<b>0.36</b>	<b>36,082</b>	<b>0.36</b>	<b>36,082</b>	<b>0.36</b>	<b>36,082</b>	<b>0.36</b>	<b>34,717</b>	<b>0.35</b>

\* For the year ended 31 March 2019, the Company had issued 1,365 equity shares under rights issue for total consideration of Rs. 13,650 (absolute number).

B. Other equity

Particulars	Notes	Share application pending allotment	Reserves and Surplus						Items of Other Comprehensive Income (OCI)	Total attributable to owners of the company	Non-controlling interest ('NCI')***	Total
			Employee stock option reserve	Securities premium	Retained earnings	Debenture redemption reserve	Demerger deficit balance	Other equity *	Equity instrument through OCI **			
<b>Balance as at 1 April 2017</b>		-	60.98	566.80	672.14	1.16	-	369.85	-	1,670.93	20.13	1,691.06
Reversal of deferred tax on merger of Medybiz Services Private Limited ("MSPL")		-	-	-	(6.64)	-	-	-	-	(6.64)	-	(6.64)
Transition impact of Ind AS 116, net of tax	(a)	-	-	-	(21.04)	-	-	-	-	(21.04)	-	(21.04)
<b>Restated balance as at 1 April 2017</b>		-	60.98	566.80	644.46	1.16	-	369.85	-	1,643.25	20.13	1,663.38
Profit after tax for the year from continuing operations		-	-	-	438.77	-	-	-	-	438.77	-	438.77
Loss for the year from discontinued operations		-	-	-	(34.37)	-	-	-	-	(34.37)	-	(34.37)
Remeasurements of defined benefit liability/ (asset)		-	-	-	(1.37)	-	-	-	-	(1.37)	-	(1.37)
Other comprehensive income for the year		-	-	-	-	-	-	-	(11.15)	(11.15)	-	(11.15)
<b>Total comprehensive income for the year</b>		-	-	-	403.03	-	-	-	(11.15)	391.88	-	391.88
<b>Transactions with owners recorded directly in equity:</b>												
Receipt of share application money		0.01	-	-	-	-	-	-	-	0.01	-	0.01
Transfer to employee stock option plan ("ESOP") reserve		-	6.26	-	-	-	-	-	-	6.26	13.15	19.41
Transfer to debenture redemption reserve		-	-	-	(0.20)	0.20	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>		0.01	67.24	566.80	1,047.29	1.36	-	369.85	(11.15)	2,041.40	33.28	2,074.68
<b>Balance as at 1 April 2018</b>		0.01	67.24	566.80	1,047.29	1.36	-	369.85	(11.15)	2,041.40	33.28	2,074.68
Profit after tax for the year from continuing operations		-	-	-	329.74	-	-	-	-	329.73	-	329.73
Loss for the year from discontinued operations		-	-	-	(67.85)	-	-	-	-	(67.85)	-	(67.85)
Remeasurements of defined benefit liability/ (asset)		-	-	-	(8.66)	-	-	-	-	(8.66)	-	(8.66)
Other comprehensive income for the year		-	-	-	-	-	-	-	(34.27)	(34.27)	-	(34.27)
<b>Total comprehensive income for the year</b>		-	-	-	253.23	-	-	-	(34.27)	218.95	-	218.95
<b>Transactions with owners recorded directly in equity:</b>												
Issue of shares under right issue		(0.01)	-	-	-	-	-	-	-	(0.01)	-	(0.01)
Transfer to employee stock option plan ("ESOP") reserve		-	2.81	-	-	-	-	-	-	2.81	15.33	18.14
Cash settlement of vested Employee Stock Option	(b)	-	(15.40)	-	(69.70)	-	-	-	-	(85.10)	(27.04)	(112.14)
<b>Balance as at 31 March 2019</b>		-	54.65	566.80	1,230.82	1.36	-	369.85	(45.42)	2,178.05	21.57	2,199.62
<b>Balance as at 1 April 2019</b>		-	54.65	566.80	1,230.82	1.36	-	369.85	(45.42)	2,178.05	21.57	2,199.62
Profit after tax for the year from continuing operations		-	-	-	391.71	-	-	-	-	391.71	-	391.71
Loss after tax for the year from discontinued operations		-	-	-	(46.05)	-	-	-	-	(46.05)	-	(46.05)
Remeasurements of defined benefit liability/ (asset)		-	-	-	(12.96)	-	-	-	-	(12.96)	-	(12.96)
Other comprehensive income for the year		-	-	-	-	-	-	-	(17.66)	(17.66)	-	(17.66)
<b>Total comprehensive income for the year</b>		-	-	-	332.70	-	-	-	(17.66)	315.04	-	315.04
<b>Transactions with owners recorded directly in equity:</b>												
Distribution of net assets under common control transaction	(c)	-	-	-	-	-	(370.18)	-	-	(370.18)	-	(370.18)
Transfer to employee stock option plan ("ESOP") reserve		-	1.10	-	-	-	-	-	-	1.10	-	1.10
<b>Balance as at 31 March 2020</b>		-	55.75	566.80	1,563.52	1.36	(370.18)	369.85	(63.08)	2,124.01	21.57	2,145.58

(This space is intentionally left blank)



Particulars	Notes	Share application pending allotment	Reserves and Surplus						Items of Other Comprehensive Income (OCI)	Total attributable to owners of the company	Non-controlling interest ('NCI')***	Total
			Employee stock option reserve	Securities premium	Retained earnings	Debenture redemption reserve	Demerger deficit balance	Other equity *	Equity instrument through OCI **			
<b>Balance as at 1 April 2019</b>		-	54.65	566.80	1,230.82	1.36	-	369.85	(45.42)	2,178.05	21.57	2,199.62
Profit after tax for the period from continuing operations		-	-	-	352.00	-	-	-	-	352.00	-	352.00
Loss for the period from discontinued operations		-	-	-	(41.60)	-	-	-	-	(41.60)	-	(41.60)
Remeasurements of defined benefit liability/ (asset)		-	-	-	(10.10)	-	-	-	-	(10.10)	-	(10.10)
Other comprehensive income for the period		-	-	-	-	-	-	-	(15.04)	(15.04)	-	(15.04)
<b>Total comprehensive income for the period</b>		-	-	-	300.30	-	-	-	(15.04)	285.26	-	285.26
<b>Transactions with owners recorded directly in equity:</b>		-	-	-	-	-	-	-	-	-	-	-
Transfer to employee stock option plan ("ESOP") reserve		-	1.10	-	-	-	-	-	-	1.10	-	1.10
Distribution of net assets under common control transaction	(c)	-	-	-	-	-	(370.18)	-	-	(370.18)	-	(370.18)
Cash settlement of vested Employee Stock Option		-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 December 2019</b>		-	55.75	566.80	1,531.12	1.36	(370.18)	369.85	(60.46)	2,094.23	21.57	2,115.80
<b>Balance as at 1 April 2020</b>		-	55.75	566.80	1,563.52	1.36	(370.18)	369.85	(63.08)	2,124.01	21.57	2,145.58
Profit after tax for the period from continuing operations		-	-	-	380.88	-	-	-	-	380.88	-	380.88
Loss for the period from discontinued operations		-	-	-	(49.94)	-	-	-	-	(49.94)	-	(49.94)
Remeasurements of defined benefit liability/ (asset)		-	-	-	(4.27)	-	-	-	-	(4.27)	-	(4.27)
Other comprehensive income for the period		-	-	-	-	-	-	-	1.79	1.79	-	1.79
<b>Total comprehensive income for the period</b>		-	-	-	326.67	-	-	-	1.79	328.46	-	328.46
<b>Balance as at 31 December 2020</b>		-	55.75	566.80	1,890.19	1.36	(370.18)	369.85	(61.29)	2,452.47	21.57	2,474.04

**Notes:**

(a) Refer Note 5 (a).

(b) Refer Note 31.

(c) Refer Note 37 (i) and (ii).

\* Other Equity (Refer Note 15(v))

**\*\* Equity instrument through other comprehensive income:**

The company has elected to recognise the changes in fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within FVOCI equity investments within equity. The company transfers amount to retained earnings when the relevant equity securities are de-recognised.

\*\*\* The employee stock option reserve of Medi Assist Insurance TPA Private Limited ('MATPA'), a wholly owned subsidiary of the Company, represents the ESOP's granted to counterparty not forming part of the consolidated reporting entity are classified and presented as NCI. These ESOP's are not exercised as at balance sheet date. Hence, no profit is attributable to NCI.

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial Information appearing in Annexure VII.

As per our examination report of even date attached.

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

for and on behalf of the Board of Directors of

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**

**Vikash Gupta**

Partner

Membership No: 064597

**Dr. Vikram Jit Singh Chhatwal**

Chairman and Whole Time Director

DIN: 01606329

**Satish V N Gidugu**

Whole Time Director and CEO

DIN: 06643677

**Mathew George**

Chief Financial Officer

**Megha Matioo**

Chief Compliance Officer and Company Secretary

ICSI Membership No: F-10665

Place: Bengaluru

Date: 8 May 2021

Place: Bengaluru

Date: 8 May 2021

Place: Bengaluru

Date: 8 May 2021

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**
**Annexure IV - Restated Consolidated Statement of Cash Flows**
*(All amounts are in Indian Rupees in millions, unless otherwise stated)*

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Cash flows from operating activities</b>					
Profit before tax for the year from continuing operations	534.24	504.99	633.64	480.70	638.56
Loss after tax for the period/ year from discontinued operations	(49.94)	(41.60)	(46.05)	(67.85)	(34.37)
<i>Adjustments:</i>					
Depreciation and amortisation expenses	220.28	198.56	275.60	248.08	185.70
Allowance for expected credit losses (net)	25.11	13.99	13.99	-	(7.67)
Bad debts written off	3.24	0.27	3.01	3.82	-
Provision for doubtful receivables	-	10.08	10.08	-	-
Provision for doubtful supplier advance	-	10.70	10.70	-	-
Employee stock option expense	-	1.10	1.10	18.14	19.40
Liabilities/Provision no longer payable written back	(3.89)	-	-	-	(4.74)
Finance costs	36.74	25.85	36.56	43.20	35.18
Profit on sale of investments in mutual funds	(10.73)	(24.79)	(16.37)	(12.35)	(19.98)
Interest income	(37.48)	(3.85)	(7.66)	(4.07)	(20.06)
Gain on transfer of property, plant and equipment	-	-	(4.92)	-	-
Net gain on financial assets measured at fair value through profit and loss	(53.93)	(74.54)	(49.82)	(22.45)	(37.00)
Dividend received	-	(2.89)	(3.17)	(3.11)	(14.88)
<b>Operating cash flows before working capital changes</b>	<b>663.64</b>	<b>617.87</b>	<b>856.69</b>	<b>684.11</b>	<b>740.14</b>
<b>Working capital movements:</b>					
(Decrease)/ Increase in trade payables	(25.17)	(309.34)	(274.87)	151.98	256.31
(Decrease)/ Increase in other liabilities	(419.68)	(53.14)	193.79	(145.62)	21.17
Increase/ (Decrease) in provisions	5.69	(4.44)	2.17	(0.20)	3.37
(Increase)/ Decrease in trade receivables and unbilled receivables	(157.23)	321.88	356.14	4.48	(310.75)
Decrease/ (Increase) in other assets	396.27	(183.10)	(564.11)	103.39	(86.36)
<b>Cash generated from operations</b>	<b>463.52</b>	<b>389.73</b>	<b>569.81</b>	<b>798.14</b>	<b>623.88</b>
Income taxes refund/ (paid), net	28.02	(217.63)	(383.27)	(447.90)	(221.79)
<b>Net cash flows generated from operating activities (A)</b>	<b>491.54</b>	<b>172.10</b>	<b>186.54</b>	<b>350.24</b>	<b>402.09</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment including capital advances	(51.41)	(69.89)	(131.54)	(136.53)	(118.96)
Payments for software development costs/ intangible assets	(17.10)	(72.87)	(73.94)	(73.81)	(74.69)
Sale of property, plant and equipment including intangible assets	-	16.37	2.81	-	-
Acquisition of business (Refer Note 38)	-	-	-	(111.44)	-
Purchase of non-current investments	(0.13)	-	0.01	(9.94)	(50.00)
Purchase of current investments	(120.26)	(599.51)	(515.91)	(221.60)	(174.08)
Proceeds from sale of current investments	376.43	690.39	721.83	260.01	-
Investment in fixed deposit accounts	(411.03)	(21.17)	(231.22)	23.53	(18.98)
Proceeds from maturity of fixed deposits	-	-	-	47.57	-
Dividend received	-	2.89	3.17	3.11	14.88
Interest received	12.40	1.30	2.57	8.27	1.15
<b>Net cash flows used in investing activities (B)</b>	<b>(211.10)</b>	<b>(52.49)</b>	<b>(222.22)</b>	<b>(210.83)</b>	<b>(420.68)</b>
<b>Cash flows from financing activities</b>					
Proceeds from issue of shares	-	-	-	0.01	-
Repayment of lease liabilities (Refer Note 5(b)A)	(82.21)	(85.30)	(115.49)	(99.23)	(68.14)
Finance costs paid	(11.06)	(0.08)	(2.04)	(1.24)	(0.36)
<b>Net cash flows used in financing activities (C)</b>	<b>(93.27)</b>	<b>(85.38)</b>	<b>(117.53)</b>	<b>(100.46)</b>	<b>(68.50)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>187.17</b>	<b>34.23</b>	<b>(153.21)</b>	<b>38.95</b>	<b>(87.09)</b>
Cash and cash equivalents at the beginning of the period/ year	(54.55)	98.66	98.66	59.71	146.80
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>132.62</b>	<b>132.89</b>	<b>(54.55)</b>	<b>98.66</b>	<b>59.71</b>
<b>Notes to cash flow statement</b>					
<i>Component of cash and cash equivalents</i>					
Cash on hand	0.24	0.39	0.30	0.16	0.31
Balances with banks in current accounts	107.53	157.50	139.65	98.50	59.40
Deposits with original maturity of less than three months	219.35	-	-	-	-
Bank overdraft (Refer Note 18 (a))	(194.50)	(25.00)	(194.50)	-	-
<b>Total cash and cash equivalents</b>	<b>132.62</b>	<b>132.89</b>	<b>(54.55)</b>	<b>98.66</b>	<b>59.71</b>

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**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)****Annexure IV - Restated Consolidated Statement of Cash Flows***(All amounts are in Indian Rupees in millions, unless otherwise stated)*

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Reconciliation of financial liabilities forming part of financing activities in accordance with Ind AS 7:</b>					
<b>Non-cash movements in financing activities</b>					
<b>(a) Borrowings (Non-current and current):</b>					
Opening balance	719.28	524.61	524.61	524.45	524.31
Proceeds from borrowings	-	25.00	194.50	-	-
Non-cash items (Interest on financial liability)	0.15	0.13	0.17	0.16	0.14
<b>Closing balance</b>	<b>719.43</b>	<b>549.74</b>	<b>719.28</b>	<b>524.61</b>	<b>524.45</b>
<b>(b) Lease liabilities (Non-current and current):</b>					
Opening balance	427.49	457.48	457.48	443.48	376.98
Additions	-	2.54	51.99	72.23	99.96
Deletions	-	(3.71)	(3.71)	-	-
Interest expense for the year	25.53	27.86	37.22	41.00	34.68
Repayment of lease liabilities	(82.21)	(85.29)	(115.49)	(99.23)	(68.14)
<b>Closing balance</b>	<b>370.81</b>	<b>398.88</b>	<b>427.49</b>	<b>457.48</b>	<b>443.48</b>

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our examination report of even date attached.

for **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration Number: 101248W/W-100022

for and on behalf of the Board of Directors of  
**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**

**Vikash Gupta**  
Partner  
Membership No: 064597

**Dr. Vikram Jit Singh Chhatwal**  
Chairman and Whole Time Director  
DIN: 01606329

**Satish V N Gidugu**  
Whole Time Director and CEO  
DIN: 06643677

**Mathew George**  
Chief Financial Officer

**Megha Matoo**  
Chief Compliance Officer and Company Secretary  
ICSI Membership No: F-10665

Place: Bengaluru  
Date: 8 May 2021

Place: Bengaluru  
Date: 8 May 2021

Place: Bengaluru  
Date: 8 May 2021

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**  
**Annexure V - Significant accounting policies**

**1 Reporting entity**

Medi Assist Healthcare Services Limited ("the Company" or "Parent"), was incorporated on 7 June 2000 under the provisions of Companies Act, 1956. The Company received order from the Registrar of Companies with fresh certificate of incorporation upon conversion from Private Company to Public Company with effect from 20 March 2018. The Company's registered office is Medi Assist Healthcare Services Limited, Tower D, 4th Floor, IBC Knowledge Park, 4/1, Bannerghatta Road, Bengaluru 560 029. The business operations of the Company are carried out at various cities in India.

The Company, and its subsidiary i.e. Medi Assist Insurance TPA Private Limited, ("MATPA") (collectively the "Group"), is mainly engaged in the business of Third Party Administration (TPA) services provided by the subsidiary. The Group has signed up contracts with several general and health insurance companies to manage the requirements of their policyholders, as well as with healthcare providers (such as hospitals) to enable a network for policyholders to avail of cashless treatment at pre-negotiated tariffs. The Group also provides business support services, health management services, consultancy services and contact centre support and other allied services pertaining to the healthcare and health insurance sector. The Group primarily derives its income in the form of TPA fees from insurance companies expressed either as a percentage of the insurance premium paid by the insured to the insurance company or as a fixed price per member/family. The Group also derives income from pre-policy check ups and other allied services provided to insurance companies, and for policy administration services rendered to Governments to enable public health schemes.

With effect from 1 April 2018 (appointed date) Medybiz Services Private Limited, wholly owned subsidiary was merged with the Company. The said merger of wholly owned subsidiary has been restated in FY 2017-2018 as per the requirement of Ind AS 103 Business combination, Appendix- C - Common control business combination.

Pursuant to the Scheme of Arrangement, duly sanctioned by the National Company Law Tribunal ("NCLT"), vide Order dated 4 November 2020, with effect from the Appointed Date i.e. 1 September 2019, the CH Business of the Company has demerged into M/s. Mandala Wellness Private Limited ("MWPL"), Accordingly, the Group has disclosed the discontinuation of CH business as discontinued operations as per the requirement of Ind AS 105 ' Non current asset held for sale and Discontinued operation', the details of which are stated in Refer Note 37 (i).

The Board of Directors of the Company vide resolution dated 30 December 2020 has approved the discontinuation of the business pertaining to card processing which are mainly generating revenue from Government contracts. Accordingly, the Group has disclosed the discontinuation of card processing business as discontinued operations as per the requirement of Ind AS 105 ' Non current asset held for sale and Discontinued operation', the details of which are stated in Refer Note 37 (ii).

The Restated Consolidated Financial Information comprises the financial information of the member of the Group as under:

Name of subsidiary	Country of incorporation	% of Interest				
		As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Medi Assist Insurance TPA Private Limited	India	100	100	100	100	100

**2 Basis of accounting and preparation**

**A Statement of compliance:**

The Restated Consolidated Balance Sheet of the Group as at 31 December 2020, 31 December 2019, 31 March 2020, 31 March 2019 and 31 March 2018 and the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash flows for the periods/years ended 31 December 2020, 31 December 2019, 31 March 2020, 31 March 2019 and 31 March 2018, and Restated Other Consolidated Financial Information (together referred to as 'Restated Consolidated Financial Information') has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013. (the 'Act') and other relevant provisions of the Act as amended from time to time.

These Restated Consolidated Financial Information have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective as at 31 December 2020. These Restated Consolidated Financial Information have been approved by the Board of Directors on 8 May 2021.

The Restated Consolidated Financial Information has been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

- (i) Section 26 of Chapter III of the Act;
- (ii) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') on 11 September 2018 in pursuance of the Securities and Exchange Board of India Act, 1992; and
- (iii) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

These Restated Consolidated Financial Information has been extracted by the Management from the Audited Consolidated Financial Statements for respective periods/years and

- (a) there were no changes in accounting policies during the periods/ years of these financial statements except for the new and amended Ind AS 116 'Leases' and new and amended Ind AS 115 'Revenue from contract with customers'- Refer Annexure VII and Note 5;
- (b) there were no material amounts which have been adjusted for in arriving at profit/ loss of the respective periods/ years; and
- (c) there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited Financial Statements of the Group as at and for the nine months period ended 31 December 2020 and the requirements of the SEBI Regulations.

The Group has given adjustments for lease accounting in accordance with Ind AS 116 which came into effect on 1 April 2019 using modified retrospective approach and all the related figures have been reclassified/ regrouped to give effect to the requirements of Ind AS 116, refer Schedule VII - "Statement of Adjustments to the Restated Consolidated Financial Information".

**B Functional and presentation currency**

These Restated Consolidated Financial Information are presented in Indian Rupees, which is the Group functional currency. All amounts have been rounded to the nearest million, upto two places of decimal, unless otherwise stated.

**C Basis of measurement**

The Restated Consolidated Financial Information have been prepared under the historical cost basis, except for the following:

Items	Measurement basis
Financial assets and liabilities (including derivatives instruments)	Fair value
Share based payment at grant date	Fair value
Defined benefit and other long-term employee benefits obligations	Present value of defined benefit obligations

*(This space is intentionally left blank)*

## 2 Basis of accounting and preparation (continued)

### D Use of estimates and judgements

In preparing these Restated Consolidated Financial Information, management has made estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the periods/years. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the periods/years in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

#### Judgement, estimates and assumptions are required in particular for:

##### (a) Determination of the estimated useful lives:

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, these are estimated by management taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

##### (b) Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

##### (c) Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

##### (d) Fair valuation of employee share options:

The fair valuation of the employee share options is based on the Black-Scholes Model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under option pricing model.

##### (e) Impairment testing:

Property, plant and equipment, goodwill, intangible assets and other assets are tested for impairment at least annually and when event occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

##### (f) Business combination:

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates), liabilities acquired and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

##### (g) Leases

The Group evaluates if an arrangement qualifies to be a lease based on the requirements of the relevant standard. Identification of a lease requires significant management judgment. Computation of the lease liabilities and right-to-use assets requires management to estimate the lease term (including anticipated renewals) and the applicable discount rate. Management estimates the lease term based on past practices and reasonably estimated / anticipated future events. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristic

##### (h) Expected credit losses on financial assets:

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting periods/years.

### E Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 31: Employee Stock Option Scheme.
- Note 32: Financial Instruments.

*(This space is intentionally left blank)*

## 2 Basis of accounting and preparation (continued)

### F Current and non-current classification

The Group presents assets and liabilities in the Restated Consolidated Balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle.
- it is held primarily for the purpose of being traded;

- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include current portion of non-current financial assets/ liabilities respectively.

All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

#### *Operating cycle*

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

## 3 Significant accounting policies

### a. Basis of consolidation

#### *Subsidiary:*

The Company determines the basis of control in line with the requirements of *Ind AS 110, Consolidated Financial Statements*.

Subsidiary is entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expense. Intercompany transactions, balances and unrealized gains on transactions between Group entities are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of transferred asset. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted.

Non-controlling interests in the results and equity of subsidiary are shown separately in the Restated Consolidated Balance sheet, Restated Consolidated Statement of Profit and loss and Restated Consolidated Statement of changes in equity respectively. Also the employee stock option reserve of the subsidiary Company represents the ESOP's granted to counterparty (employees of the Group) not forming part of the consolidated reporting entity are classified and presented as NCI.

All intra-Group balances, transactions, income and expenses are eliminated in full on consolidation.

The accounting policies of subsidiary have been changed when necessary to align them with the policies adopted by the Group.

### b. Financial instruments

#### (i) Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

#### **Recognition and initial measurement – financial assets and financial liabilities:**

A financial asset (except for trade receivables and contract assets) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in the Restated Consolidated Statement of Profit and Loss.

ii. Finance income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets. Interest income is recognized as it accrues in the Restated Consolidated Statement of Profit and Loss, using the effective interest method.

Dividend income is recognized in the Restated Consolidated Statement of Profit and Loss on the date that the Group's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

iii. Finance expenses consist of interest expense on loans and borrowings and financial liabilities. The costs of these are recognized in the Restated Consolidated Statement of Profit and Loss using the effective interest method.

#### **Financial assets**

The Group classifies financial assets as measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit and loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

#### *Amortized cost:*

A financial asset is classified and measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets 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.

#### *Fair value through other comprehensive income ("FVOCI"):*

A financial asset is classified and measured at FVOCI if both of the following conditions are met:

- the financial asset 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.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

### 3 Significant accounting policies (continued)

#### *Fair value through profit and loss (“FVTPL”)*

A financial asset is classified and measured at FVTPL unless it is measured at amortized cost or at FVOCI. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### **Financial assets: Business model assessment**

The Group makes an assessment of the objective of the business model in which a financial asset is held at investment level because this reflects the best way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for each of such investments and the operation of those policies in practice.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group’s continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

#### **Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:**

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

#### **Financial assets: Subsequent measurement and gains and losses**

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Restated Consolidated Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Restated Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Restated Consolidated Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Restated Consolidated Statement of Profit and Loss.

#### **Financial liabilities: Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Restated Consolidated Statement of Profit and Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Restated Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Restated Consolidated Statement of Profit and Loss.

### (iii) Derecognition

#### *Financial assets*

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

#### *Financial liabilities*

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Restated Consolidated Statement of Profit and Loss.

### (iv) Offsetting financial instruments:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### c. Foreign currency transactions and balances

Transactions in foreign currencies are translated into the respective functional currency of the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Restated Consolidated Statement of Profit and Loss.

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**3 Significant accounting policies (continued)**

**d. Cash and cash equivalents**

Cash and cash equivalents in the Restated Consolidated Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the restated consolidated statement of cash flows, cash and cash equivalents consist of cash excluding restricted cash balance and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**e. Cash flow statement**

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated.

**f. Earnings per share**

The basic earnings per share ('EPS') is computed by dividing the net profit/ (loss) after tax for the years attributable to equity shareholders by the weighted average number of equity shares outstanding during the years.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, stock split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS adjust the figures used in the determination of basic EPS to consider:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**g. Revenue recognition**

- i. Revenue is recognized upon transferring control of promised services to customers in an amount that reflects that consideration we expect to receive in exchange for those services.

The Group derives revenue from rendering Third Party Administration (TPA) services is measured either as a percentage of insurance premium or amount per member/ family covered under the policy depending on the terms of the contract entered into with insurance companies and government agencies. Such amounts are recognized as revenue on a pro-rata basis during the period of the underlying insurance policy. Performance obligations while rendering services are satisfied over time, as and when the services are rendered since the customer simultaneously receives and consumes the benefits provided by the Group.

The Group derives revenue from rendering healthcare management services in accordance with the terms of the relevant service agreement entered with customers and revenue is recognised at point in time as and when the related services are rendered.

The Group derives revenue from rendering business support services in accordance with the terms of the relevant service agreement entered with customers, being performance obligations are satisfied over the contract period as the Group's efforts or inputs are expended evenly throughout the contract period.

Revenue from card processing income are recognised at point in time as and when the related services are rendered.

Revenue from licenses where the customers obtains "right to access" is recognized over the access period on straight line basis.

The Group presents revenues net of indirect taxes in its Restated Consolidated Statement of Profit and Loss.

Revenue in excess of invoicing are classified as unbilled receivables where related performance obligation are rendered and right to consideration is unconditional. Invoicing in excess of revenues are classified as contract liabilities.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

**h. Property, plant and equipment**

**Recognition and measurement:**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Restated Consolidated Statement of Profit and Loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

**Depreciation**

Depreciation on property, plant and equipment is provided on straight line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013. The Group estimates the useful lives for property, plant and equipment as follows:

Asset categories	Useful life in years
Furniture and fixtures	10
Air conditioners	10
Computer equipment's - end user devices	3
Motor car	10
Computer equipment's - servers and network	6
Electrical equipment's	10
Office equipment	5

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use and the depreciation charge for the period/ year is recognised in Restated Consolidated Statement of Profit and Loss.

Leasehold improvements are depreciated over the lease term of three to six years or the useful lives of the assets, whichever is lower.

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### 3 Significant accounting policies (continued)

#### i. Intangible assets

##### (i) Recognition and measurement

###### *Acquired intangible assets*

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are stated at cost less accumulated amortization and impairment losses, if any.

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 required to obtain the expected future cash flows from the asset.

###### *Internally generated intangible assets*

Expenditure on research activities, undertaken with prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Restated Consolidated Statement of Profit and Loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in Restated Consolidated Statement of Profit and Loss as incurred.

##### Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Restated Consolidated Statement of Profit and Loss as incurred.

##### Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in Restated Consolidated Statement of Profit and Loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Management believes that period of amortisation is representative of the period over which the Group expects to derive economic benefits from the use of the assets.

Amortisation methods and useful lives are reviewed periodically including at each financial years end. Amortisation on additions and disposals during the years is provided on proportionate basis.

Goodwill is measured at cost less accumulated impairment loss.

The intangible assets are amortised over the estimated useful lives as given below:

Asset categories	Useful life in years
Software and licenses	3
Customer contracts	10
Customer relationship	8

#### j. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets which are measured at amortized cost e.g., loans, deposits and bank balance.
- Trade receivables or unbilled receivables or another financial asset that result from transactions that are within the scope of Ind AS 115.

Loss allowances for trade receivables or unbilled receivables is measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account risk profiling of customers and historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss. In addition the Group has also considered credit reports and other credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19. The Group believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled receivables and other financial assets is adequate.

##### *Write off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Group's procedures for the recovery of amount due.

#### k. Impairment of non-financial assets

Goodwill that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The Group assesses long-lived assets such as property, plant, equipment and acquired / self generated intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Group estimates the recoverable amount of the asset or group of assets. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Restated Consolidated Statement of Profit and Loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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### 3 Significant accounting policies (continued)

#### 1. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### Group as a lessee

The Group's lease asset class primarily consist of leases for buildings. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Group has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- (iii) the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in Restatement Consolidated Statement of Profit and Loss.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximize operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

##### Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of office, the following factors are normally the most relevant:

- (a) If there are significant penalties to terminate (or not extend), the group is typically reasonably certain to extend (or not terminate).
- (b) If any leasehold improvements are expected to have a significant remaining value, the group is typically reasonably certain to extend (or not terminate).
- (c) Otherwise, the group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset. Most extension options in offices leases have not been included in the lease liability, because the group could replace the assets without significant cost or business disruption.

#### m. Employee benefits

##### (i) Short-term employee benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits expected to be paid in exchange for employee services is recognized as an expense for the related service rendered by employees.

##### (ii) Post-employment benefits:

##### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee provident fund and employees state insurance to a Government administered scheme which is a defined contribution plan. The Group's contribution is recognized as an expense in the Restated Consolidated Statement of Profit and Loss during the period in which the employee renders the related service.

##### Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such benefit plan is determined by independent qualified actuary using the Projected Unit Credit Method which recognizes each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet dates. The Group classifies the gratuity as current and non-current based on the actuarial valuation report.

Actuarial gains or losses are recognised in Other comprehensive income ('OCI'). Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in Restated Consolidated Statement of Profit and Loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through OCI.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to Restated Consolidated Statement of Profit and Loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Restated Consolidated Statement of Profit and Loss as past service cost.

The Group have considered only such changes in legislation which have been enacted upto the balance sheet date for the purpose of determining defined benefit obligation.

##### Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured by independent qualified actuary using the Projected Unit Credit Method.

##### Share-based compensation

The expenses relating to share-based payments in the Restated Consolidated Statement of Profit and Loss using fair value in accordance with Ind AS 102, Share-Based Payment. These Employee Stock Options Scheme ("ESOS") granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognized in the Restated Consolidated Statement of Profit and Loss with a corresponding increase to the employee stock option plan reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization).

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share

Employee stock option reserve of share option granted by MATPA is classified as non-controlling interest in the Restated consolidated statements of changes in equity.

### 3 Significant accounting policies (continued)

#### n. Business combination

In accordance with Ind AS 103, Business combinations, the Group accounts for business combinations after acquisition date using the acquisition method when control is transferred to the group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration and deferred consideration, if any. Any excess of purchase consideration over the fair value of net assets acquired is considered as goodwill. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

The Group accounts for the common control transactions in accordance with the 'pooling of interest' method prescribed under Ind AS 103 - Business Combination for common control transactions and as per the provisions of respective schemes approved by the regulators, where all the assets and liabilities of transferor companies would be recorded at the book value as at the Appointed date.

#### o. Taxation

Income tax comprises current and deferred tax. Income tax expense is recognised in the Restated Consolidated Statement of Profit and Loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

##### *Current income tax*

Current tax comprises the expected tax payable or receivable on the taxable income for the years and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting dates.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the assets and settle the liability on a net basis or simultaneously.

##### *Deferred tax*

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction

- temporary differences related to investments in subsidiary and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets recognized or unrecognized are reviewed at each reporting date and are recognized /reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

#### p. Non-current Assets held for sale and discontinued operations

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in Restated Consolidated Statement of Profit and Loss.

Non-current assets classified as held for sale are presented separately from the other assets in the Restated Consolidated Balance Sheet. The liabilities classified as held for sale are presented separately from other liabilities in the Restated Consolidated Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Restated Consolidated Statement of Profit and Loss.

The post-tax profit or loss of discontinued operations and the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets constituting the discontinued operation shall be disclosed separately as a single amount in the Restated Consolidated Statement of Profit and Loss.

An analysis of the single amount into the revenue, expenses and pre-tax profit or loss of discontinued operations, the related income tax expense as required by Ind AS 12 and the gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets constituting the discontinued operation along with the related income tax expense thereon as required by Ind AS 12 may be presented in the notes or in the Restated Consolidated Statement of Profit and Loss.

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**3 Significant accounting policies (continued)**

**q. Provisions (other than for employee benefits) and contingent liabilities**

Provisions are recognized when there is 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 expenses relating to a provision is presented in the Restated Consolidated Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the Group financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each closing date.

**r. Corporate Social Responsibility ("CSR") expenditure**

CSR expenditure incurred by the Group is charged to the Restated Consolidated Statement of the Profit and Loss.

**s. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Group have been identified as being the Chief operating decision maker by the management of the Group. Refer note 34 for segment information presented.

**q. Cash dividend**

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders (in the case of interim dividend it is approved by Board of Directors. A corresponding amount is recognised directly in equity.

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## 4 Property, plant and equipment

Particulars	Leasehold improvements	Furniture and fixtures	Office equipment	Computers	Electrical equipment's	Air conditioners	Motor car	Total
<b>Gross carrying value</b>								
Balance at 1 April 2017	72.78	43.33	34.03	129.06	2.06	4.01	0.14	285.41
Additions	15.12	14.16	12.11	36.49	6.39	8.93	-	93.20
Disposals	-	(2.27)	-	-	-	(0.30)	-	(2.57)
<b>Balance at 31 March 2018</b>	<b>87.90</b>	<b>55.22</b>	<b>46.14</b>	<b>165.55</b>	<b>8.45</b>	<b>12.64</b>	<b>0.14</b>	<b>376.04</b>
<b>Accumulated depreciation</b>								
Balance at 1 April 2017	19.47	11.94	15.03	66.49	1.02	1.52	0.02	115.49
Depreciation for the year	12.76	4.56	7.01	30.59	0.45	1.07	0.03	56.47
Disposals	-	(2.18)	-	-	-	(0.30)	-	(2.48)
<b>Balance at 31 March 2018</b>	<b>32.23</b>	<b>14.32</b>	<b>22.04</b>	<b>97.08</b>	<b>1.47</b>	<b>2.29</b>	<b>0.05</b>	<b>169.48</b>
<b>Net carrying value at 31 March 2018</b>	<b>55.67</b>	<b>40.90</b>	<b>24.10</b>	<b>68.47</b>	<b>6.98</b>	<b>10.35</b>	<b>0.09</b>	<b>206.56</b>

<b>Gross carrying value</b>								
Balance at 1 April 2018	87.90	55.22	46.14	165.55	8.45	12.64	0.14	376.04
Additions	46.31	33.38	12.51	59.81	4.75	6.84	-	163.60
Acquisition through business combination (Note 38)	-	0.61	0.94	1.75	-	-	-	3.30
Disposals	-	-	-	-	-	-	(0.14)	(0.14)
<b>Balance at 31 March 2019</b>	<b>134.21</b>	<b>89.21</b>	<b>59.59</b>	<b>227.11</b>	<b>13.20</b>	<b>19.48</b>	<b>-</b>	<b>542.80</b>
<b>Accumulated depreciation</b>								
Balance at 1 April 2018	32.23	14.32	22.04	97.08	1.47	2.29	0.05	169.48
Depreciation for the year	17.50	8.37	9.11	36.80	1.36	2.06	0.02	75.22
Disposals	-	-	-	-	-	-	(0.07)	(0.07)
<b>Balance at 31 March 2019</b>	<b>49.73</b>	<b>22.69</b>	<b>31.15</b>	<b>133.88</b>	<b>2.83</b>	<b>4.35</b>	<b>-</b>	<b>244.63</b>
<b>Net carrying value at 31 March 2019</b>	<b>84.48</b>	<b>66.52</b>	<b>28.44</b>	<b>93.23</b>	<b>10.37</b>	<b>15.13</b>	<b>-</b>	<b>298.17</b>

<b>Gross carrying value</b>								
Balance at 1 April 2019	134.21	89.21	59.59	227.11	13.20	19.48	-	542.80
Additions	29.54	31.51	18.20	35.39	4.69	3.23	-	122.56
Transfer of assets on account of demerger (Note 37(i))	-	-	(0.49)	(24.34)	-	-	-	(24.83)
<b>Balance at 31 March 2020</b>	<b>163.75</b>	<b>120.72</b>	<b>77.30</b>	<b>238.16</b>	<b>17.89</b>	<b>22.71</b>	<b>-</b>	<b>640.53</b>
<b>Accumulated depreciation</b>								
Balance at 1 April 2019	49.73	22.69	31.15	133.88	2.83	4.35	-	244.63
Depreciation for the year	29.01	9.03	10.74	36.48	1.84	2.61	-	89.70
Transfer of assets on account of demerger (Note 37(i))	-	-	(0.49)	(11.76)	-	-	-	(12.25)
<b>Balance at 31 March 2020</b>	<b>78.74</b>	<b>31.72</b>	<b>41.40</b>	<b>158.60</b>	<b>4.67</b>	<b>6.96</b>	<b>-</b>	<b>322.08</b>
<b>Net carrying value at 31 March 2020</b>	<b>85.01</b>	<b>89.00</b>	<b>35.90</b>	<b>79.56</b>	<b>13.22</b>	<b>15.75</b>	<b>-</b>	<b>318.45</b>

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## 4 Property, plant and equipment (continued)

Particulars	Leasehold improvements	Furniture and fixtures	Office equipment	Computers	Electrical equipment's	Air conditioners	Motor car	Total
<b>Gross carrying value</b>								
Balance at 1 April 2019	134.21	89.21	59.59	227.11	13.20	19.48	-	542.80
Additions	14.04	14.87	6.33	19.49	4.31	2.55	-	61.59
Transfer of assets on account of demerger (Note 37(i))	-	-	(0.54)	(24.34)	-	-	-	(24.88)
<b>Balance at 31 December 2019</b>	<b>148.25</b>	<b>104.08</b>	<b>65.38</b>	<b>222.26</b>	<b>17.51</b>	<b>22.03</b>	<b>-</b>	<b>579.51</b>
<b>Accumulated depreciation</b>								
Balance at 1 April 2019	49.73	22.69	31.15	133.88	2.83	4.35	-	244.63
Depreciation for the period	15.55	6.57	8.56	29.22	1.31	1.93	-	63.14
Transfer of assets on account of demerger (Note 37(i))	-	-	(0.49)	(11.76)	-	-	-	(12.25)
<b>Balance at 31 December 2019</b>	<b>65.28</b>	<b>29.26</b>	<b>39.22</b>	<b>151.34</b>	<b>4.14</b>	<b>6.28</b>	<b>-</b>	<b>295.52</b>
<b>Net carrying value at 31 December 2019</b>	<b>82.97</b>	<b>74.82</b>	<b>26.16</b>	<b>70.92</b>	<b>13.37</b>	<b>15.75</b>	<b>-</b>	<b>283.99</b>

<b>Gross carrying value</b>								
Balance at 1 April 2020	163.75	120.72	77.30	238.16	17.89	22.71	-	640.53
Additions	-	0.91	29.28	10.50	-	0.56	-	41.25
<b>Balance at 31 December 2020</b>	<b>163.75</b>	<b>121.63</b>	<b>106.58</b>	<b>248.66</b>	<b>17.89</b>	<b>23.27</b>	<b>-</b>	<b>681.78</b>
<b>Accumulated depreciation</b>								
Balance at 1 April 2020	78.74	31.72	41.40	158.60	4.67	6.96	-	322.09
Depreciation for the period	25.61	10.63	10.16	26.50	2.02	2.35	-	77.27
<b>Balance at 31 December 2020</b>	<b>104.35</b>	<b>42.35</b>	<b>51.56</b>	<b>185.10</b>	<b>6.69</b>	<b>9.31</b>	<b>-</b>	<b>399.36</b>
<b>Net carrying value at 31 December 2020</b>	<b>59.40</b>	<b>79.28</b>	<b>55.02</b>	<b>63.56</b>	<b>11.20</b>	<b>13.96</b>	<b>-</b>	<b>282.42</b>

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**6 Goodwill**

<b>Particulars</b>	<b>Total</b>
<b>Gross carrying value</b>	
Balance at 1 April 2017	367.39
Acquisition	-
<b>Balance at 31 March 2018</b>	<b>367.39</b>
<b>Accumulated impairment loss</b>	
Balance at 1 April 2017	-
For the year	-
<b>Balance at 31 March 2018</b>	<b>-</b>
<b>Net carrying value at 31 March 2018</b>	<b>367.39</b>

<b>Gross carrying value</b>	
Balance at 1 April 2018	367.39
Acquisition through business combination (Note 38)	42.41
<b>Balance at 31 March 2019</b>	<b>409.80</b>
<b>Accumulated impairment loss</b>	
Balance at 1 April 2018	-
For the year	-
<b>Balance at 31 March 2019</b>	<b>-</b>
<b>Net carrying value at 31 March 2019</b>	<b>409.80</b>

<b>Gross carrying value</b>	
Balance at 1 April 2019	409.80
Acquisition	-
<b>Balance at 31 March 2020</b>	<b>409.80</b>
<b>Accumulated impairment loss</b>	
Balance at 1 April 2019	-
For the year	-
<b>Balance at 31 March 2020</b>	<b>-</b>
<b>Net carrying value at 31 March 2020</b>	<b>409.80</b>

<b>Gross carrying value</b>	
Balance at 1 April 2019	409.80
Acquisition	-
<b>Balance at 31 December 2019</b>	<b>409.80</b>
<b>Accumulated impairment loss</b>	
Balance at 1 April 2019	-
For the period	-
<b>Balance at 31 December 2019</b>	<b>-</b>
<b>Net carrying value at 31 December 2019</b>	<b>409.80</b>

<b>Gross carrying value</b>	
Balance at 1 April 2020	409.80
Acquisition	-
<b>Balance at 31 December 2020</b>	<b>409.80</b>
<b>Accumulated impairment loss</b>	
Balance at 1 April 2020	-
For the period	-
<b>Balance at 31 December 2020</b>	<b>-</b>
<b>Net carrying value at 31 December 2020</b>	<b>409.80</b>

**6 Goodwill (continued)**

**Impairment testing for goodwill:**

For the purpose of impairment testing, goodwill is allocated to Health benefit administration which is considered as cash generating unit (CGU).

The recoverable amount of the CGU is based on value in use, estimated using discounted cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below. The value assigned to the key assumptions represents management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal source.

Particulars	31-Dec-20	31-Dec-19	31-Mar-20	31-Mar-19	31-Mar-18
Discount rate	16.30%	14.87%	14.87%	18.65%	21.02%
Terminal growth rate	4.00%	4.00%	4.00%	3.00%	5.00%
Budgeted EBITDA <sup>(a)</sup> growth rate	18.00%	17.00%	17.00%	11.00%	11.00%

<sup>(a)</sup> EBITDA refers to Earnings before interest, tax, depreciation and amortisation.

The discount rate is a post-tax measure estimated based on the historical industry average weighted-average cost of capital.

The cash flow projections includes specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimates of long-term compound annual EBITDA growth rate.

Budgeted EBITDA has been estimated taking into account past experience derived as follows:

(i) Revenue growth has been projected taking into account the average growth rate levels experienced over past five years and the estimated sales volume and price growth for the next five year. It has been assumed that the sales price would increase in line with forecast inflation over the next five year.

Note: Based on the assessment, the Group determined that the estimated recoverable value of the CGU is higher than its carrying cost and consequently, the Group has not recorded any impairment loss following the guidance under Ind AS 36 "Impairment of assets". The Group has performed sensitivity analysis for all key assumptions, including the cash flow projections consequent to the change in estimated future economic conditions arising from the possible effects due to COVID-19 and is unlikely to cause the carrying amount of the CGU exceed its estimated recoverable amount.

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## 7 Other intangible assets

Particulars	Software and licenses	Customer contracts	Customer relationship	Total	Intangible under development
<b>Gross carrying value</b>					
Balance at 1 April 2017	192.96	295.46	-	488.42	-
Additions	74.74	-	-	74.74	-
<b>Balance at 31 March 2018</b>	<b>267.70</b>	<b>295.46</b>	<b>-</b>	<b>563.16</b>	<b>-</b>
<b>Accumulated amortisation</b>					
Balance at 1 April 2017	127.61	14.77	-	142.38	-
For the year	43.78	29.55	-	73.33	-
<b>Balance at 31 March 2018</b>	<b>171.39</b>	<b>44.32</b>	<b>-</b>	<b>215.71</b>	<b>-</b>
<b>Net carrying value at 31 March 2018</b>	<b>96.31</b>	<b>251.14</b>	<b>-</b>	<b>347.45</b>	<b>-</b>
<b>Gross carrying value</b>					
Balance at 1 April 2018	267.70	295.46	-	563.16	-
Acquisition through business combination (Note 38)	0.09	2.30	20.30	22.69	-
Additions	41.32	-	-	41.32	32.49
<b>Balance at 31 March 2019</b>	<b>309.11</b>	<b>297.76</b>	<b>20.30</b>	<b>627.17</b>	<b>32.49</b>
<b>Accumulated amortisation</b>					
Balance at 1 April 2018	171.39	44.32	-	215.71	-
For the year	54.12	31.28	1.90	87.30	-
<b>Balance at 31 March 2019</b>	<b>225.51</b>	<b>75.60</b>	<b>1.90</b>	<b>303.01</b>	<b>-</b>
<b>Net carrying value at 31 March 2019</b>	<b>83.60</b>	<b>222.16</b>	<b>18.40</b>	<b>324.16</b>	<b>32.49</b>
<b>Gross carrying value</b>					
Balance at 1 April 2019	309.11	297.76	20.30	627.17	32.49
Additions	92.61	-	-	92.61	-
Transfer of assets on account of demerger (Note 37(i))	(27.72)	-	-	(27.72)	-
Disposals/ adjustments	-	-	-	-	(18.67)
<b>Balance at 31 March 2020</b>	<b>374.00</b>	<b>297.76</b>	<b>20.30</b>	<b>692.06</b>	<b>13.82</b>
<b>Accumulated amortisation</b>					
Balance at 1 April 2019	225.51	75.60	1.90	303.01	-
For the year	63.93	29.93	2.55	96.41	-
Transfer of assets on account of demerger (Note 37(i))	(3.73)	-	-	(3.73)	-
<b>Balance at 31 March 2020</b>	<b>285.71</b>	<b>105.53</b>	<b>4.45</b>	<b>395.69</b>	<b>-</b>
<b>Net carrying value at 31 March 2020</b>	<b>88.30</b>	<b>192.23</b>	<b>15.85</b>	<b>296.37</b>	<b>13.82</b>

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## 7 Other intangible assets (continued)

Particulars	Software and licenses	Customer contracts	Customer relationship	Total	Intangible under development
<b>Gross carrying value</b>					
Balance at 1 April 2019	309.11	297.76	20.30	627.17	32.49
Additions	52.87	-	-	52.87	20.00
Transfer of assets on account of demerger (Note 37(i))	(27.72)	-	-	(27.72)	-
CWIP capitalised during the year	-	-	-	-	(16.37)
<b>Balance at 31 December 2019</b>	<b>334.26</b>	<b>297.76</b>	<b>20.30</b>	<b>652.32</b>	<b>36.12</b>
<b>Accumulated amortisation</b>					
Balance at 1 April 2019	225.51	75.60	1.90	303.01	-
For the period	44.76	22.51	1.92	69.19	-
Transfer of assets on account of demerger (Note 37(i))	(3.73)	-	-	(3.73)	-
<b>Balance at 31 December 2019</b>	<b>266.54</b>	<b>98.11</b>	<b>3.82</b>	<b>368.47</b>	<b>-</b>
<b>Net carrying value at 31 December 2019</b>	<b>67.72</b>	<b>199.65</b>	<b>16.48</b>	<b>283.85</b>	<b>36.12</b>

<b>Gross carrying value</b>					
Balance at 1 April 2020	374.00	297.76	20.30	692.06	13.82
Additions	43.36	-	-	43.36	-
Classified to assets held for sale (refer note 47)	(16.19)	-	-	(16.19)	-
Disposals/ adjustments	-	-	-	-	(13.82)
<b>Balance at 31 December 2020</b>	<b>401.17</b>	<b>297.76</b>	<b>20.30</b>	<b>719.23</b>	<b>-</b>
<b>Accumulated amortisation</b>					
Balance at 1 April 2020	285.71	105.53	4.45	395.69	-
For the period	49.97	22.43	1.92	74.32	-
Classified to assets held for sale (refer note 47)	(3.75)	-	-	(3.75)	-
<b>Balance at 31 December 2020</b>	<b>331.93</b>	<b>127.96</b>	<b>6.37</b>	<b>466.26</b>	<b>-</b>
<b>Net carrying value at 31 December 2020</b>	<b>69.24</b>	<b>169.80</b>	<b>13.93</b>	<b>252.97</b>	<b>-</b>

Intangible assets under development are based on internal technical feasibility study carried out by management with the intention to complete the self generated intangible assets. Management has assessed that such intangible assets will generate future economic benefits for the Group and therefore meet the capitalization criteria in accordance with Ind AS 38 - Intangible assets.

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## 5 (a) Right-of-use assets

<b>Particulars</b>	<b>Buildings</b>	<b>Total</b>
<b>Gross carrying value</b>		
Balance at 1 April 2017	358.22	358.22
Additions	99.96	99.96
<b>Balance at 31 March 2018</b>	<b>458.18</b>	<b>458.18</b>
<b>Accumulated depreciation</b>		
Balance at 1 April 2017	-	-
Depreciation for the year	58.38	58.38
<b>Balance at 31 March 2018</b>	<b>58.38</b>	<b>58.38</b>
<b>Net carrying value at 31 March 2018</b>	<b>399.80</b>	<b>399.80</b>
<b>Gross carrying value</b>		
Balance at 1 April 2018	458.18	458.18
Additions	74.72	74.72
<b>Balance at 31 March 2019</b>	<b>532.90</b>	<b>532.90</b>
<b>Accumulated depreciation</b>		
Balance at 1 April 2018	58.38	58.38
Depreciation for the year	85.63	85.63
<b>Balance at 31 March 2019</b>	<b>144.01</b>	<b>144.01</b>
<b>Net carrying value at 31 March 2019</b>	<b>388.89</b>	<b>388.89</b>
<b>Gross carrying value</b>		
Balance at 1 April 2019	532.90	532.90
Additions	58.36	58.36
Modifications/ terminations	(2.81)	(2.81)
<b>Balance at 31 March 2020</b>	<b>588.45</b>	<b>588.45</b>
<b>Accumulated depreciation</b>		
Balance at 1 April 2019	144.01	144.01
Depreciation for the year*	89.49	89.49
<b>Balance at 31 March 2020</b>	<b>233.50</b>	<b>233.50</b>
<b>Net carrying value at 31 March 2020</b>	<b>354.95</b>	<b>354.95</b>
<b>Gross carrying value</b>		
Balance at 1 April 2019	532.90	532.90
Additions	5.80	5.80
Modifications/ terminations	(2.80)	(2.80)
<b>Balance at 31 December 2019</b>	<b>535.90</b>	<b>535.90</b>
<b>Accumulated depreciation</b>		
Balance at 1 April 2019	144.01	144.01
Depreciation for the period	66.23	66.23
<b>Balance at 31 December 2019</b>	<b>210.24</b>	<b>210.24</b>
<b>Net carrying value at 31 December 2019</b>	<b>325.66</b>	<b>325.66</b>
<b>Gross carrying value</b>		
Balance at 1 April 2020	588.45	588.45
Additions	-	-
<b>Balance at 31 December 2020</b>	<b>588.45</b>	<b>588.45</b>
<b>Accumulated depreciation</b>		
Balance at 1 April 2020	233.50	233.50
Depreciation for the period	68.69	68.69
<b>Balance at 31 December 2020</b>	<b>302.19</b>	<b>302.19</b>
<b>Net carrying value at 31 December 2020</b>	<b>286.26</b>	<b>286.26</b>

\* Out of the total a sum of Rs 5.75 million and Rs 4.43 million has been charged to MWPL in accordance with the Transitional Service Agreement for the year ended 31 March 2020 and period ended 31 December 2019 respectively. The net depreciation charge for the year ended 31 March 2020 and period ended 31 December 2019 was Rs 83.74 million and Rs 61.80 million respectively.

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**5 (a) Right-of-use assets (continued)**

**Transition to Ind AS 116**

Lease standard i.e., Ind AS 116 has been notified to be effective w.e.f. 1 April 2019 for accounting of the lease contracts entered in the capacity of a lessee. For the purpose of preparation of Restated Consolidated Financial Information, the management has evaluated the impact of change in accounting policies on adoption of Ind AS 116 for each of the year ended 31 March 2019 and 31 March 2018. Hence, in these Restated Consolidated Financial Information, Ind AS 116 has been adopted with effect from 1 April 2017 following modified retrospective method (i.e. on 1 April 2017 the Group has measured the lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate and a right-of-use asset at an amount equal its carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application).

**Group as a lessee**

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under Ind AS 116, the Group recognises right-of-use assets and lease liabilities for most leases i.e. these leases are on balance sheet.

On transition, the Group has applied following practical expedients:

- (1) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (2) Applied the exemption not to recognise right-of-use-assets and liabilities for leases with less than 12 months of lease term on the date of transition and low value assets.
- (3) Excluded the initial direct costs from the measurement of the right-of -use-asset at the date of transition
- (4) Grandfathered the assessment of contracts which are, or contain leases as was previously identified as leases applying "Ind AS 17- Leases". Accordingly, Ind AS 116 is not applied to those contracts that were not previously identified as containing a lease applying Ind AS 17.
- (5) The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2017 is 9.00%.
- (6) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The Group has also applied recognition exemptions of short-term leases to all categories of underlying assets.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use assets and finance cost for interest accrued on lease liabilities.

On transition to Ind AS 116 with effect from 1 April 2017, the Group recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at 1 April 2017. Accordingly, a right-of-use asset of Rs. 354.30 million and a corresponding lease liability of Rs. 376.98 million was recognised. The cumulative effect on transition in retained earnings, net of taxes amounted to Rs. 21.04 million (net of deferred tax impact of Rs. 11.13 million). Refer table (ii) below.

The principal portion of the lease payments have been disclosed under cash flows from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flows from operating activities. Applicable incremental borrowing rates have been applied to lease liabilities recognised in the balance sheet at the date of initial application. The weighted average incremental borrowing rate of 9.00% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at 31 March 2017 compared to the lease liability as accounted as at 1 April 2017 is primarily attributable to the impact of discounting the future lease payments during the non-cancellable lease term to the present value thereof, including the present value of lease payments during the cancellable period (to the extent of lease term determined under Ind AS 116) and exclusion of leases for which the Group has chosen to apply the practical expedients available. Refer table (i) below.

**(i) Reconciliation of future minimum lease rental commitments towards non-cancellable operating leases as at 31 March 2017 with the lease liabilities recognised in the Balance sheet as at:**

Particulars	As at 1 April 2017
Lease commitments (less interest component)	163.78
Adjustment on extension and termination options reasonably certain to be exercised	213.20
<b>Lease liabilities recognised</b>	<b>376.98</b>

**(ii) Impact of adoption of Ind AS 116 on retained earnings:**

Particulars	As at 1 April 2017
Increase in lease liabilities	(376.98)
Increase in right-of-use assets	354.30
Increase in deferred tax assets	11.13
Decrease in prepaid rent on present value of security deposit	(9.49)
<b>Impact on retained earning</b>	<b>(21.04)</b>

5 (b) Lease liabilities

A The following is the movement of lease liabilities during the period/ years ended 31 December 2020 (31 December 2019; 31 March 2020; 31 March 2019; 31 March 2018)

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Opening balance	427.49	457.48	457.48	443.48	376.98
Additions	-	2.54	51.99	72.23	99.96
Deletions	-	(3.71)	(3.71)	-	-
Interest expense for the year	25.53	27.86	37.22	41.00	34.68
Repayment of lease liabilities	(82.21)	(85.29)	(115.49)	(99.23)	(68.14)
<b>Closing Balance</b>	<b>370.81</b>	<b>398.88</b>	<b>427.49</b>	<b>457.48</b>	<b>443.48</b>

B The following is the break-up of lease liabilities:

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Current lease liabilities	75.89	66.83	85.82	75.44	47.72
Non-current lease liabilities	294.92	332.05	341.67	382.04	395.76
	<b>370.81</b>	<b>398.88</b>	<b>427.49</b>	<b>457.48</b>	<b>443.48</b>

C The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Less than one year	115.02	123.79	121.68	116.89	100.26	41.53
One to five years	307.12	422.15	392.78	506.22	559.76	134.26
years	-	-	-	8.23	71.57	-
	<b>422.14</b>	<b>545.94</b>	<b>514.46</b>	<b>631.34</b>	<b>731.59</b>	<b>175.79</b>

D Amount recognized in restated consolidated statement of profit and loss

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest on lease liability	25.53	27.86	37.22	40.99	34.68
Expense relating to short-term leases and low value assets	2.70	17.40	24.61	13.40	22.12
Depreciation on right-of-use assets	68.78	61.80	83.74	85.64	59.50
	<b>97.01</b>	<b>107.06</b>	<b>145.57</b>	<b>140.03</b>	<b>116.30</b>

During the period ended 31 December 2020 the Group incurred expenses amounting to Rs. 2.70 million (31 December 2019: Rs. 17.40 million; 31 March 2020: Rs. 24.61 million; 31 March 2019: Rs. 13.40 million; 31 March 2018: Rs. 22.12 million), for short-term leases and leases of low-value assets. The total cash outflows for leases, including short-term leases and low-value assets amounted to Rs. 92.49 million for the period ended 31 December 2020 (31 December 2019: Rs. 102.70 million; 31 March 2020: Rs. 140.09 million; 31 March 2019: Rs. 112.63 million; 31 March 2018: Rs. 90.25 million).

Impact of the Global Pandemic ( "COVID-19" )

The Group does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Group has entered with lessors for buildings are long term in nature and no changes in terms of those leases are expected due to the COVID-19.

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## 8 Non-current financial assets

## 8 (a) Investments

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>(i). Quoted equity shares</b>					
<b>Equity shares at Fair Value through Other Comprehensive Income (FVOCI):</b>					
124,992 (31 December 2019: 124,992 ; 31 March 2020: 124,992 ; 31 March 2019: 62,496; 31 March 2018: 62,496) equity shares of Rs. 5 each, of The New India Assurance Company Limited	16.11	16.93	14.04	23.84	44.15
<b>(ii). Unquoted equity shares</b>					
<b>(a) Investment in equity shares at Fair Value through Other Comprehensive Income (FVOCI):</b>					
Nil (31 December 2019: 3,055; 31 March 2020: Nil; 31 March 2019: 3,055; 31 March 2018: 3,055) equity shares of Rs 10 each, fully paid-up of Mobiefit Technologies Private Limited *	-	-	-	-	17.21
13,719 (31 December 2019: 13,719; 31 March 2020: 13,719; 31 March 2019: 13,719; 31 March 2018: 13,719) equity shares of Re 1 each, fully paid up of Healthvista India Private Limited	46.40	46.26	46.26	57.91	58.59
<b>(iii). Unquoted preference shares</b>					
<b>Compulsorily convertible cumulative preference shares at Fair Value through Profit and Loss (FVTPL):</b>					
Nil (31 December 2019: 12,220; 31 March 2020: Nil; 31 March 2019: 12,220; 31 March 2018: 12,220) preference shares of Rs 10 each, fully paid-up of Mobiefit Technologies Private Limited *	-	-	-	-	68.82
20,048 (31 December 2019: 358; 31 March 2020: 358; 31 March 2019: 358; 31 March 2018: 358) series A preference shares of Rs. 10 each (previously upto 26 August 2020 Rs. 100 each), fully paid-up of API Holdings Private Limited (91 Streets Media Private Limited merged with its holding company w.e.f. 27 August 2020.	112.29	80.23	74.70	42.89	43.33
Less: classified as asset held for sale **	(112.29)	-	-	-	-
4,648 (31 December 2019: 83; 31 March 2020: 83; 31 March 2019: 83; 31 March 2018: Nil) series C1 preference shares of Rs. 10 each (previously upto 26 August 2020 Rs. 100 each), fully paid-up of API Holdings Private Limited (91 Streets Media Private Limited merged with its holding company w.e.f. 27 August 2020.	26.03	18.60	17.35	9.94	-
Less: classified as asset held for sale **	(26.03)	-	-	-	-
	<b>62.51</b>	<b>162.02</b>	<b>152.35</b>	<b>134.58</b>	<b>232.10</b>
Aggregate amount of quoted investments and market value thereof	16.11	16.93	14.04	23.84	44.15
Aggregate amount of unquoted investments	46.40	213.91	138.31	179.56	187.95
Aggregate amount of impairment in value of investments	-	(68.82)	-	(68.82)	-

\* Refer Note 43.

\*\* Refer Note 47.

## 8 (b) Loans receivable

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Considered good - Unsecured</b>					
Earnest money deposit ("EMD")	8.87	9.47	7.57	9.13	6.87
Security deposits	46.55	53.39	48.40	40.89	35.30
<b>Credit impaired- Unsecured</b>					
Inter-corporate deposit *	40.00	40.00	40.00	40.00	40.00
Less: Allowance for doubtful deposits **	(40.00)	(40.00)	(40.00)	(40.00)	-
	<b>55.42</b>	<b>62.86</b>	<b>55.97</b>	<b>50.02</b>	<b>82.17</b>

\* Represents inter-corporate deposit ("ICD") provided to Mobiefit Technologies Private Limited ("MTPL"). The term of ICD is 60 months from the date of disbursement and carries an interest of 8%, payable on maturity at 30 August 2021.

\*\* Refer Note 43.

## 8 (c) Other financial assets

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Considered good - Unsecured</b>					
Deposits with remaining maturity of more than 12 months *	35.54	5.52	22.32	5.52	53.09
Interest accrued but not due on fixed deposits	-	0.52	0.56	0.18	0.89
<b>Unsecured, considered doubtful</b>					
Interest accrued but not due on ICD	4.48	4.48	4.48	4.48	4.48
Less: Allowance for interest accrued on ICD**	(4.48)	(4.48)	(4.48)	(4.48)	-
	<b>35.54</b>	<b>6.04</b>	<b>22.88</b>	<b>5.70</b>	<b>58.46</b>

\*Includes bank deposit of Rs. 21.30 million (31 December 2019: Rs. 2.85 million; 31 March 2020: Rs. 21.30 million; 31 March 2019: Rs. 4.76 million; 31 March 2018: Rs. 35.93 million) placed with bank against which bank guarantee have been issued to insurance companies.

\*\* Refer Note 43.

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**9 Income tax assets, (net)**

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
Advance tax and tax deducted at source, net of provisions *	647.89	756.04	836.68	687.16	413.45
	<b>647.89</b>	<b>756.04</b>	<b>836.68</b>	<b>687.16</b>	<b>413.45</b>

\* Includes taxes paid under protest Rs. 8.02 million (31 December 2019; Rs. 55.02 million; 31 March 2020: Rs. 63.04 million; 31 March 2019: Rs. 55.02 million; 31 March 2018: Rs. 55.02 million).

**10 Deferred tax assets/ (liabilities) (net)**

A Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
<b>Deferred tax assets</b>					
Provision for employee benefits	28.57	23.02	25.63	24.17	25.60
Lease liabilities	93.32	100.39	107.58	133.22	153.48
Allowance for expected credit loss and doubtful receivables	39.01	20.64	19.69	30.33	21.68
Other items	6.29	3.06	3.25	2.77	4.62
Security deposits at amortised cost	1.58	2.62	1.87	2.03	2.33
Temporary difference arising from fair value adjustment of financial assets and liabilities, net	-	8.88	10.35	15.25	-
Temporary differences on accrued expenses	0.52	0.42	0.10	1.20	0.70
Excess of depreciation on fixed assets under Companies Act over depreciation under Income-tax Act, 1961	16.60	9.96	7.96	1.86	-
<b>Total deferred tax assets</b>	<b>185.89</b>	<b>168.99</b>	<b>176.43</b>	<b>210.83</b>	<b>208.41</b>
<b>Deferred tax liabilities</b>					
Excess of depreciation on fixed assets under Income-tax Act, 1961 over depreciation under Companies Act	72.55	52.19	54.90	55.99	54.08
Right-of-use assets	72.05	81.97	89.34	113.25	138.37
Temporary difference arising from fair value adjustment of financial assets and liabilities, net	3.14	2.24	2.67	11.50	16.48
<b>Total deferred tax liabilities</b>	<b>147.74</b>	<b>136.40</b>	<b>146.91</b>	<b>180.74</b>	<b>208.93</b>
<b>Deferred tax assets/ (liabilities) (net)</b>	<b>38.15</b>	<b>32.59</b>	<b>29.52</b>	<b>30.09</b>	<b>(0.52)</b>
<b>B Presentation in Annexure I - Restated Consolidated Balance Sheet</b>					
Deferred tax assets	38.15	32.59	29.52	43.25	3.22
Deferred tax liabilities	-	-	-	13.16	3.74
<b>Deferred tax assets/ (liabilities) (net)</b>	<b>38.15</b>	<b>32.59</b>	<b>29.52</b>	<b>30.09</b>	<b>(0.52)</b>

**11 Other non-current assets**

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
Prepaid rent	1.40	-	-	0.13	-
Prepaid expenses	0.92	-	-	-	-
Capital advances	15.34	4.48	12.00	0.16	19.58
	<b>17.66</b>	<b>4.48</b>	<b>12.00</b>	<b>0.29</b>	<b>19.58</b>

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**12 Current - Financial assets****12 (a) Investments**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
(i) <i>Investments in mutual funds - Unquoted- Fair value through profit and loss</i>	279.02	708.20	516.80	745.75	680.10
(ii) <i>Investments in preference shares- Unquoted - Fair value through profit and loss</i> 49,99,900 (31 December 2019: Nil; 31 March 2020: 49,99,900; 31 March 2019: Nil; 31 March 2018: Nil) Series B CCPS of Rs. 10 each, fully paid-up of Buddhimed Technologies Private Limited	50.00	-	50.00	-	-
(iii) <i>Unquoted equity shares- Unquoted Fair value through other comprehensive income</i> 100 (31 December 2019: Nil; 31 March 2020: Nil; 31 March 2019: Nil; 31 March 2018: Nil) equity shares of Rs. 10 each, fully paid-up of Buddhimed Technologies Private Limited *	-	-	-	-	-
	<b>329.02</b>	<b>708.20</b>	<b>566.80</b>	<b>745.75</b>	<b>680.10</b>
Aggregate amount of quoted investments and market value thereof	-	-	-	-	-
Aggregate amount of unquoted investments	329.02	708.20	566.80	745.75	680.10
Aggregate amount of impairment in value of investments	-	-	-	-	-

\* Amount less than a million.

**12 (b) Trade receivables**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Considered good - Unsecured	607.76	638.25	678.84	902.38	976.61
Credit impaired - Unsecured	128.89	55.90	52.14	46.43	49.87
<b>Total receivables</b>	<b>736.65</b>	<b>694.15</b>	<b>730.98</b>	<b>948.81</b>	<b>1,026.48</b>
Less: Allowance for expected credit losses	(128.89)	(55.90)	(52.14)	(46.90)	(49.87)
	<b>607.76</b>	<b>638.25</b>	<b>678.84</b>	<b>901.91</b>	<b>976.61</b>
<i>a) Due date based aging</i>					
Debts outstanding for period exceeding six months from the date they become	260.85	163.75	158.98	40.71	84.58
Other debts	475.80	530.40	572.00	908.10	941.90
	<b>736.65</b>	<b>694.15</b>	<b>730.98</b>	<b>948.81</b>	<b>1,026.48</b>

**12 (c) Cash and cash equivalents**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Cash on hand	0.24	0.39	0.30	0.16	0.31
Balances with banks					
In current accounts	107.53	157.50	139.65	98.50	59.40
Deposits with original maturity of less than three months	219.35	-	-	-	-
	<b>327.12</b>	<b>157.89</b>	<b>139.95</b>	<b>98.66</b>	<b>59.71</b>

**12 (d) Bank balances other than cash and cash equivalents**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Deposits with original maturity of more than three months but less than 12 months (Refer Note A)	648.01	55.58	248.49	28.09	12.49
Balances with banks					
In float accounts*	-	-	-	6.37	13.65
Balance with Self funded schemes**	1.19	2.56	2.90	2.51	34.36
	<b>649.20</b>	<b>58.14</b>	<b>251.39</b>	<b>36.97</b>	<b>60.50</b>

**Note A:**

(i) The above includes bank deposits amounting to Rs 5.17 million (31 December 2019: Rs. 11.57 million; 31 March 2020: Rs. 11.60 million; 31 March 2019: Rs. 26.89 million; 31 March 2018: Rs. 1.5 million) placed with bankers against which bank guarantees have been issued to customers.

(ii) It includes bank deposit placed by subsidiary company amounting to Rs. 236.50 million (31 December 2019: Rs. 30.00 million; 31 March 2020: Rs. 236.50; 31 March 2019: Nil; 31 March 2018: Rs. 5.15 million) which are under lien with bank towards overdraft facility availed by the Holding company.

\* Float balance represents amount received from the Insurance companies towards settlement of health insurance claims.

\*\* These balances represent funds received from corporates for the purpose of providing health benefit services to their employees.

**12 (e) Loans receivable**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<i>Considered good - Unsecured</i>					
Security deposits	17.80	7.81	13.46	11.61	15.01
<i>Credit impaired - Unsecured</i>					
Security deposits	0.08	0.08	0.08	0.08	0.08
Less: Allowance for doubtful deposits	(0.08)	(0.08)	(0.08)	(0.08)	(0.08)
	<b>17.80</b>	<b>7.81</b>	<b>13.46</b>	<b>11.61</b>	<b>15.01</b>

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## 12 (f) Other financial assets

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<i>Considered good - Unsecured</i>					
Accrued interest	23.14	2.75	1.96	1.60	0.96
Other receivables *	173.05	183.97	579.75	50.30	8.22
IPO expenses recoverable (Refer Note A)	-	-	-	-	-
<i>Credit impaired - Unsecured</i>					
Other receivables	15.35	15.35	15.35	12.71	0.48
Less: Allowance for doubtful receivables	(15.35)	(15.35)	(15.35)	(12.71)	(0.48)
	<b>196.19</b>	<b>186.72</b>	<b>581.71</b>	<b>51.90</b>	<b>9.18</b>

\*Includes receivables from related party. Refer Note 41.

**Note A:**

**IPO expenses recoverable:** In relation to the IPO expenses incurred for the secondary sales of shares other than listing fees, which will be paid by the Company, all costs, fees and expenses with respect to the Offer (except for any interest payable by the Company and/ or any Selling Shareholder on refund of application money in relation to the Offer) will be reimbursed to the Company by Dr. Vikram Jit Singh Chhatwal, Medimatter Health Management Private Limited, Bessemer Health Capital LLC, Bessemer India Capital Holdings II Limited (in proportion to their respective Offered Shares) upon listing of the Equity Shares of the Company. These expenses have been approved by these shareholders in accordance with the agreement and such reimbursements will be recovered through cashflows received from such exit. This includes Auditor's Remuneration related to proposed IPO.

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Fees	-	-	-	-	-
Reimbursement of expenses	-	-	-	-	-
	-	-	-	-	-

## 13 Other current assets

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<i>Considered good - Unsecured</i>					
Balances with government authorities	35.84	33.13	42.81	14.50	46.72
Advances to suppliers	38.14	22.42	21.75	42.90	53.01
Advances to employees	5.09	3.38	2.84	2.04	2.93
Prepaid expenses	18.13	39.73	21.02	18.42	12.31
<i>Unsecured, considered doubtful</i>					
Advances to suppliers	10.70	10.70	10.70	-	-
Less: Allowance for doubtful advances	(10.70)	(10.70)	(10.70)	-	-
	<b>97.20</b>	<b>98.66</b>	<b>88.42</b>	<b>77.86</b>	<b>114.97</b>

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14 Equity share capital

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
<b>Authorised:*</b> <sup>^</sup>					
45,200,000 (31 December 2019: 45,200,000; 31 March 2020: 45,200,000; 31 March 2019: 45,200,000; 31 March 2018: 45,200,000) equity shares of Rs 10 each	452.00	452.00	452.00	452.00	452.00
1,40,000 (31 December 2019: 1,40,000; 31 March 2020: 1,40,000; 31 March 2019: 1,40,000; 31 March 2018: 1,40,000) preference shares of Rs 10 each	1.40	1.40	1.40	1.40	1.40
5 (31 December 2019: 5; 31 March 2020: 5; 31 March 2019: 5; 31 March 2018: 5) preference shares of Rs 20,000 each	0.10	0.10	0.10	0.10	0.10
	<b>453.50</b>	<b>453.50</b>	<b>453.50</b>	<b>453.50</b>	<b>453.50</b>
<b>Issued, subscribed and paid-up capital</b>					
36,082 (31 December 2019: 36,082; 31 March 2020: 36,082; 31 March 2019: 36,082; 31 March 2018: 34,717) equity shares of Rs 10 each* <sup>^</sup>	0.36	0.36	0.36	0.36	0.35
	<b>0.36</b>	<b>0.36</b>	<b>0.36</b>	<b>0.36</b>	<b>0.35</b>

\* Increase in authorised share capital by 200,000 equity shares and 40,000 preference shares w.e.f 1 April 2018 on account of merger of Medybiz Services Private Limited (wholly owned subsidiary)

<sup>^</sup> Refer Note 48.

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 December 2020		As at 31 December 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
<b>Equity shares</b>										
Balance at the beginning of the period/ year	36,082	0.36	36,082	0.36	36,082	0.36	34,717	0.35	34,717	0.35
Shares issued under rights issue*	-	-	-	-	-	-	1,365	0.01		
<b>Balance at the end of the reporting period/ year</b>	<b>36,082</b>	<b>0.36</b>	<b>36,082</b>	<b>0.36</b>	<b>36,082</b>	<b>0.36</b>	<b>36,082</b>	<b>0.36</b>	<b>34,717</b>	<b>0.35</b>

\* During the year ended 31 March 2019, the Company had issued 1,365 equity shares under right issue for total consideration of Rs 13,650 (absolute number)

Preference shares has been classified as financial liability (Refer Note 18 (a))

b) Rights, preference and restrictions attached to the equity shares:

The Company has single class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. Voting rights cannot be exercised in respect of shares on which any call or other sum presently payable has not been paid. Failure to pay any amount called up on shares may lead to forfeiture of shares.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) List of shareholders holding more than 5% shares of a class of shares

Particulars	As at 31 December 2020		As at 31 December 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding
<b>Equity shares of Rs 10 each fully paid up held by</b>										
Medimatter Health Management Private Limited	9,290	25.75%	9,290	25.75%	9,290	25.75%	9,290	25.75%	9,290	26.76%
Bessemer Health Capital LLC	3,567	9.89%	3,567	9.89%	3,567	9.89%	3,567	9.89%	3,567	10.27%
Investcorp Private Equity Fund I (previously IDFC Private Equity Fund III)	8,051	22.31%	8,051	22.31%	8,051	22.31%	8,051	22.31%	8,051	23.19%
Bessemer India Capital Holdings II Limited	13,354	37.01%	13,354	37.01%	13,354	37.01%	13,354	37.01%	13,354	38.47%

d) Shares reserved for issue under employee stock option scheme of the company

Particulars	As at 31 December 2020		As at 31 December 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Number of options	Amount	Number of options	Amount	Number of options	Amount	Number of options	Amount	Number of options	Amount
Under Employee Stock Option Scheme, 2013 ("ESOS")	654	0.01	654	0.01	654	0.01	654	0.01	609	0.01

Refer Note 31.

e) The Company has not allotted any fully paid-up equity share by way of bonus shares, or in pursuant to contract without payment being received in cash nor has bought back any class of equity shares during the period of five year immediately preceding the balance sheet date.

f) The Group's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans, long-term and other strategic investment plans. The funding requirements are met through equity, external borrowings and operating cash flows generated.

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15 Other equity

Particulars	Notes	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Securities premium</b>	<b>(i)</b>					
Balance at the beginning of the period/ year		566.80	566.80	566.80	566.80	566.80
Movement during the period/ year		-	-	-	-	-
<b>Balance at the end of the reporting period/ year</b>		<b>566.80</b>	<b>566.80</b>	<b>566.80</b>	<b>566.80</b>	<b>566.80</b>
<b>Debenture redemption reserve</b>	<b>(ii)</b>					
Balance at the beginning of the period/ year		1.36	1.36	1.36	1.36	1.16
Movement during the period/ year		-	-	-	-	0.20
<b>Balance at the end of the reporting period/ year</b>		<b>1.36</b>	<b>1.36</b>	<b>1.36</b>	<b>1.36</b>	<b>1.36</b>
<b>Retained earnings</b>	<b>(ii)</b>					
Balance at the beginning of the period/ year		1,500.53	1,185.42	1,185.42	1,036.19	644.85
<b>Movement during the period/ year</b>						
Total comprehensive income for the period/ year		328.34	285.21	314.99	218.88	391.49
<b>Transactions with owners recorded directly in equity:</b>						
Transfer to debenture redemption reserve		-	-	-	-	(0.20)
Cash settlement of vested Employee Stock Option		-	-	-	(69.70)	-
<b>Balance at the end of the reporting period/ year</b>		<b>1,828.87</b>	<b>1,470.63</b>	<b>1,500.41</b>	<b>1,185.37</b>	<b>1,036.14</b>
<b>Employee stock option reserve</b>	<b>(iv)</b>					
Balance at the beginning of the period/ year		55.76	54.66	54.66	67.24	67.24
Movement during the period/ year		-	1.10	1.10	(12.58)	-
<b>Balance at the end of the reporting period/ year</b>		<b>55.76</b>	<b>55.76</b>	<b>55.76</b>	<b>54.66</b>	<b>67.24</b>
<b>Other equity</b>	<b>(v)</b>					
Balance at the beginning of the period/ year		369.86	369.86	369.86	369.86	369.86
Movement during the period/ year		-	-	-	-	-
<b>Balance at the end of the reporting period/ year</b>		<b>369.86</b>	<b>369.86</b>	<b>369.86</b>	<b>369.86</b>	<b>369.86</b>
<b>Demerger deficit balance</b>	<b>(vi)</b>					
Balance at the beginning of the period/ year		(370.18)	-	-	-	-
Movement during the period/ year		-	(370.18)	(370.18)	-	-
<b>Balance at the end of the reporting period/ year</b>		<b>(370.18)</b>	<b>(370.18)</b>	<b>(370.18)</b>	<b>-</b>	<b>-</b>
<b>Total</b>		<b>2,452.47</b>	<b>2,094.23</b>	<b>2,124.01</b>	<b>2,178.05</b>	<b>2,041.40</b>

**(i) Securities premium**

Securities premium is used to record premium received on issue of equity shares. The reserve is utilized in accordance with the provision of Companies Act, 2013.

**(ii) Preference share redemption reserve**

The Group creates a preference redemption reserve out of the profits which is available for redemption of preference share.

**(ii) Debenture redemption reserve**

The company has issued debentures in India and as per the provisions of Companies Act, 2013, is required to create debenture redemption reserve out of the profits of the company available for payment of dividend. Refer Note 16 (a).

**(iii) Retained earnings**

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity shareholders.

**(iv) Employee stock option reserve**

Share based payment reserve is used to recognise the fair value of equity settled share based payments provided to the employees. For further details refer Note 31(a) and 31(b) for ESOP scheme details.

**(v) Other equity**

Preference shares and debentures were initially recognized as financial liability in accordance with the nature of the instrument at fair value. The difference between fair value and transaction price is accounted under other equity. These financial liabilities are subsequently measured at amortized cost with unwinding of the interest on this component is recognised in the Statement of profit and loss and classified as interest expense.

**(vi) Demerger deficit balance**

The reserve arising on account of demerger deficit balance. Refer Note 37 (i).

**16 Non-current financial liabilities****16 (a) Borrowing**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<i>Unsecured</i>					
0.0001% Non-convertible debentures of Rs 100 each [Refer Note (A)]*	1.92	1.73	1.77	1.60	1.44
Less: Current maturities of long-term borrowing	(1.92)	-	-	-	-
	<b>-</b>	<b>1.73</b>	<b>1.77</b>	<b>1.60</b>	<b>1.44</b>

**Movement in carrying value of liability component of financial instrument****(i) 0.0001% Non-convertible debentures**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Face value of debentures	2.00	2.00	2.00	2.00	2.00
Amount classified as 'Other equity'	(1.28)	(1.28)	(1.28)	(1.28)	(1.28)
Accrued interest on financial liability	1.20	1.01	1.05	0.88	0.72
	<b>1.92</b>	<b>1.73</b>	<b>1.77</b>	<b>1.60</b>	<b>1.44</b>

**Note:****(A) 0.0001% Non-convertible debentures**

The Group had originally issued 20,000 Optionally Convertible Debentures ("OCD's") at face value of Rs. 100 each to Medimatter Health Management Private Limited.

The term of the OCD is 10 years from the date of issuance (15 June 2011), unless redeemed earlier in accordance with the terms of the agreement and after obtaining approvals from requisite stakeholders.

The OCD's are entitled to fixed coupon rate of interest at 0.0001% per annum.

In the financial year 2013-14, the OCDs were converted into Non-Convertible Debentures ("NCDs"). The term of the NCD is 10 years from the date of issuance (i.e. 15 June 2011), unless redeemed earlier in accordance with the terms of the agreement and after obtaining approvals from requisite stakeholders. The NCD's are entitled to fixed coupon rate of interest at 0.0001% per annum payable at the end of maturity (i.e. 15 June 2021) along with principal.

\* Includes payable to related party. Refer Note 41.

**17 Provisions (non-current)**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Provision for employee benefits:</b>					
Gratuity*	85.92	67.58	72.87	61.81	38.21
	<b>85.92</b>	<b>67.58</b>	<b>72.87</b>	<b>61.81</b>	<b>38.21</b>

\*Refer Note 30.

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**18 Current financial liabilities**

**18 (a) Borrowing**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<i>Secured</i>					
Bank overdraft [Refer Note (A)]	194.50	25.00	194.50	-	-
<i>Unsecured</i>					
Redeemable cumulative preference share [Refer Note (B)]*	523.00	523.00	523.00	523.00	523.00
	<b>717.50</b>	<b>548.00</b>	<b>717.50</b>	<b>523.00</b>	<b>523.00</b>

**Note:**

**(A) Nature of Security:**

The overdraft facility is fully secured by fixed deposits provided by Medi Assist Insurance TPA Private Limited, wholly owned subsidiary of the company.

**Interest rate and terms of repayment:**

The Group shall pay interest at fixed deposit rate + 100 bps at monthly rests on the outstanding balance (except for the interest not due for the month) on the first day of the subsequent month. The loan is repayable on demand. However, the loan is available for a period of 12 months subject to review at periodical intervals wherein the facilities may be continued / cancelled / reduced depending upon the conduct and utilization of the facilities.

**(B) Redeemable cumulative preference shares**

The Group has two series of preference shares having par value of Rs. 10 per share. 9,000 Series A 0.01% redeemable cumulative preference shares and 175 Series B 0.01% redeemable cumulative preference shares of Rs. 10 each which have been issued to Medimatter Health Management Private Limited at a premium of Rs. 56,990 per share and Rs. 57,133 per share respectively.

The rights and obligations in relation to the preference share are as follows:

- The share holder does not carry any voting rights on these shares and are entitled to a fixed dividend at the rate of 0.01% per annum.
- These preference shares are to be redeemed within a maximum of 7 years, increased to 12 year with effect from 21 March 2017 as approved by board of directors in board meeting held on 21 March 2017, from the date of issuance (29 June 2011 and 22 March 2012 for Series A and Series B shares respectively) with an option to redeem shares in whole or part at any time once there are sufficient cash flows in the Company or such extended terms as may be determined by the board with the prior consent of the preference share holders. Each preference share is entitled to a redemption premium equal to the issue premium. The maturity date is 28 June 2023 and 21 March 2024 for Series A and Series B shares respectively.
- In the event of liquidation of the Company, the preference share holder is entitled to receive the subscription price together with the accrued dividend in priority to any other payments by the Company to its shareholders or any other stakeholder in the Company.

In accordance with the terms of the redeemable cumulative preference shares issue, these have been classified from non-current financial liabilities to current financial liabilities from financial year 2014-15, as these are repayable on demand.

\* Refer Note 48.

**(C) List of preference shareholders holding more than 5% shares of a class of shares**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
9,000 Series A held by Medimatter Health Management Private Limited	100%	100%	100%	100%	100%
175 Series B held by Medimatter Health Management Private Limited	100%	100%	100%	100%	100%

**18 (b) Trade payables**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Total outstanding dues of micro, small and medium enterprises*	6.69	3.78	0.48	-	-
Total outstanding dues of creditors other than micro, small and medium enterprises	351.15	346.18	386.42	657.39	491.21
	<b>357.84</b>	<b>349.96</b>	<b>386.90</b>	<b>657.39</b>	<b>491.21</b>

\* Refer Note 42.

**18 (c) Other financial liabilities**

Particulars	l	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Employee benefits payable		28.38	35.99	42.92	78.61	95.47
Current maturities of long term borrowing	a	1.92	-	-	-	-
Interest accrued on bank overdraft		1.42	-	1.10	-	-
Creditors for capital goods		3.73	12.65	9.35	7.56	13.95
Insurer's float balance	b	-	-	-	5.76	14.16
Other payables		2.19	5.37	0.96	6.47	16.50
Payable pursuant to demerger	c	-	363.83	363.83	-	-
		<b>37.64</b>	<b>417.84</b>	<b>418.16</b>	<b>98.40</b>	<b>140.08</b>

(a) payable to related party. Refer Note 41 and Note 16(a).

(b) Insurer's float balance represents amount received from the Insurance companies towards claim settlement which is replenished by the Insurer from time to time.

(c) Refer Note 37 (i).

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**19 Other current liabilities**

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
Statutory liabilities	224.85	193.04	279.37	187.94	224.89
Advance received from customers	-	-	-	1.11	-
	<b>224.85</b>	<b>193.04</b>	<b>279.37</b>	<b>189.05</b>	<b>224.89</b>

**20 Provisions (current)**

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
<i>Provision for employee benefits:</i>					
Employee compensated absences	3.10	2.37	3.84	4.04	9.35
Gratuity*	24.47	21.50	25.14	17.14	17.78
	<b>27.57</b>	<b>23.87</b>	<b>28.98</b>	<b>21.18</b>	<b>27.13</b>

\*Refer Note 30.

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**21 Revenue from operations**

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Revenue</b>					
<b>Sale of services:</b>					
Third Party Administration (TPA) fees	2,371.56	2,183.92	3,122.33	2,865.78	2,265.07
Non Government card processing income	-	-	3.60	-	-
Add: opening contract liability	1,100.33	984.23	984.23	839.59	813.97
Less: closing contract liability	(1,124.76)	(938.02)	(1,100.33)	(984.23)	(799.61)
Income from TPA services	2,347.13	2,230.13	3,009.83	2,721.14	2,279.43
Income from health management services	21.47	48.65	85.88	47.05	38.14
Income from license fee	7.80	-	-	-	-
<b>Other operating revenues:</b>					
Business support services *	45.64	51.36	90.14	-	-
	<b>2,422.04</b>	<b>2,330.14</b>	<b>3,185.85</b>	<b>2,768.19</b>	<b>2,317.57</b>

\* Refer Note 41.

**(A) Disaggregate of revenue information**

The table below presents disaggregated revenues from contracts with customers for the below periods/ years ended by offerings and contract type. The Group believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are effected by industry, market and other economic factors.

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Sale of services</b>					
Income from TPA services	2,347.13	2,230.13	3,009.83	2,721.14	2,279.43
Income from health management services	21.47	48.65	85.88	47.05	38.14
Income from license fee	7.80	-	-	-	-
Business support services	45.64	51.36	90.14	-	-
	<b>2,422.04</b>	<b>2,330.14</b>	<b>3,185.85</b>	<b>2,768.19</b>	<b>2,317.57</b>
<b>Revenue by contract type</b>					
Fixed price	2,422.04	2,330.14	3,185.85	2,768.19	2,317.57
	<b>2,422.04</b>	<b>2,330.14</b>	<b>3,185.85</b>	<b>2,768.19</b>	<b>2,317.57</b>

**(B) Contract balances**

(i) The following table provides information about trade receivables, unbilled receivables and contract liabilities from contract with customers.

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Trade receivables	607.76	638.25	678.84	901.91	976.61
Unbilled receivables	958.34	835.97	758.38	908.45	755.92
Contract liabilities	1,125.48	938.03	1,102.76	984.57	833.97

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

The contract liabilities primarily relate to advance consideration received from customers for rendering of services.

(ii) Significant changes in the contract liabilities balances during the period are as follows:

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Movement in contract liabilities:</b>					
Opening balance	1,102.76	984.57	984.57	833.97	813.97
Revenue recognised that was included in the contract liability balance at the beginning of the year	(1,102.76)	(984.57)	(984.57)	(833.97)	(813.97)
Increases due to cash received, excluding amounts recognised as revenue during the year	1,125.48	938.03	1,102.76	984.57	833.97
<b>Closing balance</b>	<b>1,125.48</b>	<b>938.03</b>	<b>1,102.76</b>	<b>984.57</b>	<b>833.97</b>

**(C) Transaction price allocated to remaining performance obligations**

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date.

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Within 1 year	1,125.48	937.84	1,100.14	984.04	833.97
1-3 years	-	0.19	0.19	0.19	-
More than 3 years	-	-	-	-	-
	<b>1,125.48</b>	<b>938.03</b>	<b>1,100.33</b>	<b>984.23</b>	<b>833.97</b>

As at 1 April 2017, the Group has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

The Group has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Group has concluded that the impact of COVID-19 is not material based on such evaluation. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods as on the balance sheet date.

**(D) Additional disclosure when Ind AS 115 is not applied retrospectively**

The Group has adopted Ind AS 115 'Revenue from Contracts with Customers' that replaces Ind AS 18 w.e.f 1 April 2018. It introduces a new five step approach to measuring and recognising revenue from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer. The Group has opted for the cumulative catch-up transition method (modified retrospective application), applied to contracts that were not completed as of 1 April 2017. Accordingly, the standard has been applied for the year ended 31 March 2017 only. For the purposes of Restated Consolidated Financial Information, the Group has followed accounting policy as per Ind AS 115 for all the years presented in Restated Consolidated Financial Information. The Management reviewed and assessed the Group's existing policy for recognising the revenue at 1 April 2017 and concluded that, apart from more extensive disclosures for the Group's revenue transactions, the initial application of Ind AS 115 has had no significant impact on the Group's Restated Consolidated Statement of Assets and Liabilities as at 31 March 2018 and its Restated Consolidated Statement of Profit and Loss including other comprehensive income for the year then ended. Consequently, there were no adjustments as at 1 April 2017.

**22 Other income**

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Net gain on financial assets measured at fair value through profit and loss	53.93	54.61	49.82	22.45	37.22
Profit on sale of investment in mutual funds	10.73	24.79	16.37	12.35	19.98
Interest income on financial assets at amortised cost:					
on inter corporate deposits	-	-	-	0.03	3.20
on term deposits and loans	34.98	1.64	4.55	2.44	5.48
on other financial assets	2.50	2.21	3.11	1.60	1.94
on other services*	31.19	2.42	10.23	-	-
Interest on income tax refund	10.86	17.47	17.47	1.48	9.44
Dividend income	-	2.89	3.17	3.11	14.88
Liabilities/provision no longer payable written back	3.89	7.45	7.45	-	4.74
Sub-lease rentals from office facilities	-	-	-	-	1.22
Profit on sale of property, plant and equipment	-	-	-	-	0.09
Profit on sale of investment	-	-	0.15	-	-
Gain on transfer of property, plant and equipment*	-	4.92	4.92	-	-
Miscellaneous income	4.32	3.02	0.98	0.04	0.03
	<b>152.40</b>	<b>121.42</b>	<b>118.22</b>	<b>43.50</b>	<b>98.22</b>

\* Refer Note 41.

**23 Employee benefits**

Particulars	Note	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, bonus and allowances		975.49	900.86	1,212.68	944.99	787.92
Contribution to provident and other funds	(a)	85.48	67.86	98.57	87.11	66.02
Employee stock option expense	(b)	-	1.10	1.10	18.14	19.40
Staff welfare expenses		46.74	28.41	36.46	25.84	20.37
		<b>1,107.71</b>	<b>998.23</b>	<b>1,348.81</b>	<b>1,076.08</b>	<b>893.71</b>

(a) Refer Note 30.

(b) Refer Note 31(a) and (b).

**24 Finance costs**

Particulars	Note	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest on lease liabilities	(a)	25.53	25.64	34.35	41.00	34.68
Bank guarantee commission		0.14	0.05	0.30	0.41	0.28
Interest on debentures	(b)	0.14	0.13	0.18	0.16	0.13
Interest on overdraft facility		10.88	-	1.95	-	-
Other interest		0.19	0.08	0.08	1.24	0.37
		<b>36.88</b>	<b>25.90</b>	<b>36.86</b>	<b>42.81</b>	<b>35.46</b>

(a) Refer Note 5 (b).

(b) Refer Note 39.

**25 Depreciation and amortisation expenses**

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation on property, plant and equipment	77.25	58.10	88.20	58.69	97.57
Depreciation on right-of-use assets *	68.78	61.80	83.74	85.64	59.50
Amortisation on intangible assets	74.32	70.95	93.12	87.29	29.55
	<b>220.35</b>	<b>190.85</b>	<b>265.06</b>	<b>231.62</b>	<b>186.62</b>

\* Refer Note 5 (a).

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## 26 Other expenses

Particulars	Note	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Sub-contracting expenses		189.14	212.62	288.62	253.80	201.05
Net loss on financial assets measured at fair value through profit or loss		-	17.46	-	-	0.22
Enrolment card charges		6.04	11.22	13.03	9.74	13.92
Legal and professional		69.20	81.17	165.66	142.85	60.37
Printing and stationery		73.51	76.28	116.53	80.56	64.41
Rent	(a)	6.72	19.44	24.60	13.40	34.29
Postage and communication		95.47	58.06	73.91	87.87	89.25
Travelling and conveyance		7.93	56.88	79.14	81.24	62.46
Repair and maintenance	(b)	53.20	52.67	75.23	53.59	50.90
Claims disallowed		42.77	19.74	27.25	35.46	10.63
Power and fuel charges		20.82	32.60	42.21	31.49	26.42
Rates and taxes		9.76	0.59	1.59	1.74	8.08
Security expenses		12.15	11.91	16.91	13.66	9.85
Insurance awareness initiatives		3.68	9.08	11.29	11.62	18.71
Corporate social responsibility		11.47	11.43	12.08	6.71	-
Software subscription charges		5.65	9.26	10.23	23.58	8.37
Provision for doubtful advances		-	10.70	10.70	-	-
Provision for doubtful receivables		-	10.08	10.08	-	-
Advertisement and business promotion		17.92	3.35	5.20	1.41	0.08
Housekeeping charges		11.40	3.76	6.98	6.48	2.77
Insurance		4.34	2.99	3.96	2.33	1.99
Director sitting fees	(c)	0.35	0.28	0.45	0.10	0.10
Auditor's remuneration	(d)	2.75	2.31	3.80	2.15	2.85
Bad debts written off		3.24	0.27	3.01	3.82	-
Allowance for expected credit losses (net)		25.11	13.99	13.99	-	(7.67)
Seminar, training and conference expenses		1.32	0.40	1.18	0.30	0.02
Miscellaneous expenses		1.32	3.04	2.07	3.28	2.37
		<b>675.26</b>	<b>731.58</b>	<b>1,019.70</b>	<b>867.18</b>	<b>661.44</b>

(a) Represents lease rentals for short term leases and leases of low value assets for the above periods/ years ended.

(b) Includes expenses relating to variable lease payments. (31 December 2020: Rs. 2.70, 31 December 2019: 17.40 million, 31 March 2020: 24.61 million, 31 March 2019: 13.40 million, 31 March 2018: 22.12 million)

(c) Refer Note 41.

(d) Auditors' remuneration (excluding Goods and services tax)

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Statutory audit fees	2.49	2.20	3.60	1.95	2.65
Tax audit fees	0.27	0.11	0.20	0.20	0.20
Other services (certification fees)	-	-	-	-	-
	<b>2.76</b>	<b>2.31</b>	<b>3.80</b>	<b>2.15</b>	<b>2.85</b>

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27 Contingent liabilities and commitments

Particulars	Notes	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Contingent liabilities:</b>						
i) Bonus as per The Payment of Bonus (Amendment) Act, 2015 for the period from 1 April 2014 to 31 March 2015	(a)	6.15	6.15	6.15	6.15	6.15
ii) Demands raised by income-tax authorities for various assessment years with regard to taxation of non-deduction of tax on payments made by the Group to various hospitals towards cashless claims. gross amount paid to Income tax authority under protest of Rs. 55.02 million (31 December 2019: Rs. 55.02 million; 31 March 2020: Rs. 55.02 million; 31 March 2019: Rs. 55.02 million; 31 March 2018: Rs.		-	55.02	55.02	55.02	55.02
iii) Demands raised by income-tax authorities for assessment years 2017-18 on account of disallowance of amortisation on goodwill and prior period expenditure and disallowance u/s 14A [Net of amount paid to Income tax authority under protest of Rs. 8.02 million (31 December 2019: Rs. Nil; 31 March 2020: Rs. 8.02 million; 31 March 2019: Rs. Nil; 31 March 2018: Rs. Nil)]		20.75	20.75	20.75	-	-
iv) Disallowance of Employee stock option expenses and disallowance under section 14A for Assessment year 2017-18		3.74	3.74	3.74	-	-
v) Disallowed u/s 40(a)(ia) of the Income-tax Act, 1961, for payments made to various hospitals during the financial year 2007-08 and 2008-09	(b)	464.96	464.96	464.96	464.96	464.96
vi) Claims against the company not acknowledged by the Company		-	-	-	0.82	0.03
vii) Employee Provident Fund	(c)	-	-	-	-	-
<b>Commitments:</b>						
i) Estimated amount of contracts, remaining to be executed on capital account and not provided for		2.80	46.40	4.25	18.71	22.96

(a) The Payment of Bonus (Amendment) Act, 2015 was notified by the Government of India with retrospective effect from 1 April 2014. The Hon'ble High Court, Karnataka based on the writ Petition no 5272/2016 and 5311/2016, has vide its order dated 2 February 2016, stayed the operation of the said notification for the financial year 2014-15. The obligation to pay the Bonus for the financial year 2014-15 will arise only if the High Court disposes off the writ petition in favour of the Government. Hence, the Group has taken a view that an amount of Rs 6.15 million which is the approximate statutory bonus liability, for the eligible employees in respect of financial year 2014-15, has been considered as an contingent liability.

(b) As per Income tax assessment order, the Assessing Officer has disallowed u/s 40(a)(ia) on payments made to various hospitals during the financial year 2007-08 and 2008-09 totaling to Rs 118.92 million Rs 964.75 million respectively and accordingly raised a demand of Rs 29.71 million and 435.25 million u/s 143(3) of the IT Act respectively. The Company filed an appeal against these above Orders as the payments to hospitals were made from the funds received from insurance companies were an advance and all payments were adjusted against the advance received. The payments were not claimed as an expenditure, hence, these cannot be disallowed under said section. The subsidiary received favorable orders from CIT(A) on 8 August 2012, ITAT on 10 December 2014, and the High Court on 30 November 2015. However, the IT department has filed an appeal with The Honorable Supreme Court of India. Further, the subsidiary had acquired Dedicated Healthcare Services TPA (India) Private Limited (DHS) on dated 30 September 2016 and pursuant to the merger order dated 6 April 2018, DHS merged with the subsidiary from the appointed date specified in the Scheme i.e. 1 October 2016.

(c) In light of judgment of Honorable Supreme Court dated 28 February 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Group's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence, it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods. The Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Group does not expect any material impact of the same.

28 Earnings per share ('EPS')

(All amounts are in Indian Rupees millions except share data and per share data, unless otherwise stated)

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Profit attributable to ordinary shareholders</b>					
Net Profit for the year attributable to the equity share holders from continuing operations (a)	380.88	352.00	391.71	329.74	438.77
Net profit/ (loss) for the period attributable to the equity share holders from discontinued operations (b)	(49.94)	(41.60)	(46.05)	(67.85)	(34.37)
Weighted average number of equity shares outstanding for basic EPS (c)*	66,823,864	66,823,864	66,823,864	66,823,864	66,823,864
Weighted average number of equity shares outstanding for diluted EPS (d)**	67,502,422	67,396,074	67,396,074	67,287,621	67,347,930
Basic earning per share of Rs 5 each (for continuing operations) [a/c]	5.70	5.27	5.86	4.93	6.57
Diluted earning per share of Rs 5 each (for continuing operations) [a/d]	5.64	5.22	5.81	4.90	6.51
Basic earning per share of Rs 5 each (for discontinued operations) [b/c]	(0.75)	(0.62)	(0.69)	(1.02)	(0.51)
Diluted earning per share of Rs 5 each (for discontinued operations) [b/d] ^	(0.75)	(0.62)	(0.69)	(1.02)	(0.51)
Basic earning per share of Rs 5 each (for continuing and discontinued operations) [(a+b)/c]	4.95	4.65	5.17	3.92	6.05
Diluted earning per share of Rs 5 each (for continuing operations and discontinued operations) [(a+b)/d]	4.90	4.61	5.13	3.89	6.00

^ In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

\* Computation of weighted average number of equity shares used in calculating basic earning per share is set out below:

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	36,082	36,082	36,082	34,717	34,717
Bonus element in rights issue #	-	-	-	1,365	1,365
Capitalization due to share split from paid-up capital of Rs.10 per equity share to Rs.5 per equity share (refer note 2 below)	36,082	36,082	36,082	36,082	36,082
Capitalization of bonus shares issued (925 Bonus share issued per equity share) (Refer Note 1 below)	66,751,700	66,751,700	66,751,700	66,751,700	66,751,700
<b>Weighted average number of equity shares</b>	<b>66,823,864</b>	<b>66,823,864</b>	<b>66,823,864</b>	<b>66,823,864</b>	<b>66,823,864</b>

1. Pursuant to a resolution passed by the Shareholders on 7 April 2021 and subsequent allotment on 9 April 2021, the Company has sub-divided the face value of its equity shares from Rs 10 each to Rs 5 each. Further, the Company has allotted 66,751,700 equity shares of face value of Rs 5 each by way of bonus issue to its shareholders and consequently the paid-up share capital of the Company has been increased to 66,751,700 equity shares of face value of Rs 5 each and the Board authorised for appropriate adjustments on allotment of share split and bonus shares to the outstanding options granted to the employees under the ESOP scheme.

\*\* Computation of weighted average number of equity shares used in calculating diluted earning per share is set out below:

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Weighted average number of equity shares outstanding during the period for calculating basic EPS	66,823,864	66,823,864	66,823,864	66,823,864	66,823,864
Effect of dilutive potential equity shares:					
Employee stock options	678,558	572,210	572,210	463,757	524,066
<b>Weighted average number of equity shares</b>	<b>67,502,422</b>	<b>67,396,074</b>	<b>67,396,074</b>	<b>67,287,621</b>	<b>67,347,930</b>

# Represents bonus element in rights issue of shares have been retroactively adjusted in prior period EPS calculation.

29 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act, 2013 'General instructions for the preparation of Consolidated financial statements

As at 31 December 2020

Name of the entity	Net Assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
<i>Parent</i>								
Medi Assist Healthcare Services Limited	34.44%	852.28	23.81%	78.81	-55.26%	1.47	24.45%	80.28
<i>Subsidiary</i>								
Medi Assist Insurance TPA Private Limited	65.56%	1,622.13	76.19%	252.13	155.26%	(4.13)	75.55%	248.00
	<b>100.00%</b>	<b>2,474.41</b>	<b>100.00%</b>	<b>330.94</b>	<b>100.00%</b>	<b>(2.66)</b>	<b>100.00%</b>	<b>328.28</b>

As at 31 December 2019

Name of the entity	Net Assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
<i>Parent</i>								
Medi Assist Healthcare Services Limited	25.60%	541.80	47.98%	148.94	76.91%	(18.99)	45.48%	129.95
<i>Subsidiary</i>								
Medi Assist Insurance TPA Private Limited	74.40%	1,574.36	52.02%	161.46	23.09%	(5.70)	54.52%	155.76
	<b>100.00%</b>	<b>2,116.16</b>	<b>100.00%</b>	<b>310.40</b>	<b>100.00%</b>	<b>(24.69)</b>	<b>100.00%</b>	<b>285.71</b>

As at 31 March 2020

Name of the entity	Net Assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
<i>Parent</i>								
Medi Assist Healthcare Services Limited	25.26%	542.10	44.05%	152.25	73.00%	(22.01)	41.28%	130.24
<i>Subsidiary</i>								
Medi Assist Insurance TPA Private Limited	74.74%	1,603.84	55.95%	193.41	27.00%	(8.14)	58.72%	185.27
	<b>100.00%</b>	<b>2,145.94</b>	<b>100.00%</b>	<b>345.66</b>	<b>100.00%</b>	<b>(30.15)</b>	<b>100.00%</b>	<b>315.51</b>

As at 31 March 2019

Name of the entity	Net Assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
<i>Parent</i>								
Medi Assist Healthcare Services Limited	35.50%	780.92	11.82%	30.96	84.54%	(36.06)	-2.33%	(5.10)
<i>Subsidiary</i>								
Medi Assist Insurance TPA Private Limited	64.50%	1,419.06	88.18%	230.93	15.46%	(6.59)	102.33%	224.34
	<b>100.00%</b>	<b>2,199.98</b>	<b>100.00%</b>	<b>261.89</b>	<b>100.00%</b>	<b>(42.65)</b>	<b>100.00%</b>	<b>219.24</b>

As at 31 March 2018

Name of the entity	Net Assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
<i>Parent</i>								
Medi Assist Healthcare Services Limited	39.45%	818.57	28.54%	115.40	91.76%	(11.80)	-81.64%	103.60
<i>Subsidiary</i>								
Medi Assist Insurance TPA Private Limited	60.55%	1,256.46	71.46%	289.00	8.24%	(1.06)	181.67%	287.94
	<b>100.00%</b>	<b>2,075.03</b>	<b>100.00%</b>	<b>404.40</b>	<b>100.00%</b>	<b>(12.86)</b>	<b>100.04%</b>	<b>391.54</b>

**30 Employee benefits**

The Group contributes to the following post-employment plans.

**a) Defined contribution plan:**

The contributions paid/ payable to Regional Provident Fund, Employees State Insurance Scheme ("ESI"), Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the statement of profit and loss during the year in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Group makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards provident fund and employees state insurance, which are defined contribution plans. The Group has no obligation other than to make the specified contribution. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to provident fund and employee state insurance for the period amounts to Rs. 61.89 million (31 December 2019: Rs. 62.16 million; 31 March 2020: Rs. 88.59 million; 31 March 2019: Rs. 77.13 million; 31 March 2018: Rs. 54.88 million)

**b) Defined benefit plans:**

The Group has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. The plan entitles an employee who has rendered at least five years of continuous service to receive 15 days salary for every completed year of service or part thereof in excess of six months based on the rate of last drawn salary (basic plus dearness allowance) by the employee concerned. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial gains/ (losses) are recognised under other comprehensive income in the Statement of profit and loss.

The Group has considered only such changes in legislation which have been enacted upto the Balance sheet date for the purpose of determining defined benefit obligation

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
Defined benefit obligation	119.79	98.13	105.87	88.09	56.40
Fair value of plan assets	(9.40)	(9.05)	(7.86)	(9.14)	(0.41)
<b>Net defined benefit obligation</b>	<b>110.39</b>	<b>89.08</b>	<b>98.01</b>	<b>78.95</b>	<b>55.99</b>
Current liabilities	24.47	21.50	25.14	17.14	17.78
Non-current liabilities	85.92	67.58	72.87	61.81	38.21

**i Movement in net defined benefit liability****Reconciliation of present value of defined benefit obligation**

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
<b>Balance at the beginning of the period/ year</b>	105.87	88.09	88.09	56.40	49.78
Addition through business combination	-	-	-	6.65	-
Benefits paid	(11.14)	(8.33)	(10.39)	(8.96)	(9.53)
Current service cost	12.97	12.07	17.06	14.51	10.70
Past service cost	2.77	-	-	4.13	-
Interest cost	4.05	4.14	5.43	3.87	3.27
<b>Actuarial gains/ (losses) recognised in other comprehensive income</b>					
Changes in demographic assumptions	2.04	-	-	(1.04)	(2.94)
Changes in financial assumptions	2.57	2.14	4.22	(0.87)	1.07
Experience adjustment	0.68	10.04	11.48	13.40	4.05
Effect of acquisition/ (divestiture)	-	(10.02)	(10.02)	-	-
Transfer In/ (Out)	(0.02)	-	-	-	-
<b>Balance at the end of the period/ year</b>	<b>119.79</b>	<b>98.13</b>	<b>105.87</b>	<b>88.09</b>	<b>56.40</b>

**Reconciliation of present value of plan assets**

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
<b>Balance at the beginning of the period/ year</b>	(7.86)	(9.15)	(9.14)	(0.42)	(4.30)
Addition on business combination	-	(2.86)	(2.86)	(9.14)	-
Contributions paid by the employer	(13.00)	(5.60)	(6.60)	(8.49)	(11.21)
Benefits paid	11.14	8.33	10.39	8.96	14.83
Interest income	(0.34)	(0.49)	(0.65)	(0.38)	(0.17)
<b>Return on planned assets recognised in other comprehensive income</b>					
Experience adjustment	0.66	0.72	1.00	0.33	0.44
<b>Balance at the end of the period/ year</b>	<b>(9.40)</b>	<b>(9.05)</b>	<b>(7.86)</b>	<b>(9.14)</b>	<b>(0.41)</b>

**Expense recognised in statement of profit and loss**

Particulars	For the period	For the period	For the year ended	For the year ended	For the year ended
	1 April 2020 to 31 December 2020	1 April 2019 to 31 December 2019	31 March 2020	31 March 2019	31 March 2018
Current service cost	12.97	12.07	17.07	14.51	10.70
Past service cost	2.77	-	-	4.13	-
Interest cost	4.05	4.14	5.43	3.87	3.27
Interest income	(0.34)	(0.49)	(0.65)	(0.38)	(0.17)
	<b>19.45</b>	<b>15.72</b>	<b>21.85</b>	<b>22.13</b>	<b>13.80</b>

**Expense recognised in other comprehensive income**

Particulars	For the period	For the period	For the year ended	For the year ended	For the year ended
	1 April 2020 to 31 December 2020	1 April 2019 to 31 December 2019	31 March 2020	31 March 2019	31 March 2018
Changes in demographic assumptions	2.04	-	-	(1.04)	(2.94)
Changes in financial assumptions	2.57	2.14	4.22	(0.87)	1.07
Experience adjustment	0.68	10.76	11.48	13.73	4.49
	<b>5.29</b>	<b>12.90</b>	<b>15.70</b>	<b>11.82</b>	<b>2.62</b>

**30 Employee benefits (continued)**

**ii. Plan assets**

Plan assets comprise the following

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
Managed by - Reliance Nippon Life Insurance and LIC Limited - 100% funded	9.42	9.06	7.88	9.15	0.41
	<b>9.42</b>	<b>9.06</b>	<b>7.88</b>	<b>9.15</b>	<b>0.41</b>

The 100% of the plan assets have been invested with Insurance Company in non-unit linked.

The Group expects to pay Rs. 19 million in its contribution to Defined benefit plan in April 2020 to December 2020 (April 2019 to December 2019 Rs 19 million; Financial Year 2019-2020 Rs 19 million; Financial Year 2018-2019 Rs 19 million; Financial Year 2017-2018 Rs 33.7 million).

The average duration of the defined benefit plan obligation at the end of reporting period is 2 years (31 December 2019: 2 years, 31 March 2020: 2 years, 31 March 2019: 2 years, 31 March 2018: 2-2.88 years)

**iii. Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
Discount rate	5.10%	5.80%	5.10%	6.60%	6.70% - 7.08%
Expected return	6.60%	6.60%	6.60%	6.84% - 7.08%	6.70% - 7.08%
Future salary growth	8% - 10%	8% - 10%	8% - 10%	8% - 10%	8.67% - 9.90%
Mortality rates	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Rate of employee turnover	37% - 38%	37% - 38%	37% - 38%	37% - 38%	29.46% - 40.04%

**iv. Sensitivity analysis**

Particulars	As at 31 December 2020		As at 31 December 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3.61)	3.83	(2.66)	2.81	(2.90)	3.07	(2.42)	2.55	(1.43)	1.49
Future salary growth (1% movement)	3.65	(3.51)	2.72	1.86	2.94	(2.84)	2.50	(2.39)	1.17	(1.14)
Rate of employee turnover (1% movement)	(0.83)	0.87	(0.54)	0.56	(0.65)	0.66	(0.55)	0.58	(0.46)	0.46

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting periods/ year

**v. Expected future cash flows**

Particulars	As at 31 December 2020		As at 31 December 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Discounted	Undiscounted	Discounted	Undiscounted	Discounted	Undiscounted	Discounted	Undiscounted	Discounted	Undiscounted
1 <sup>st</sup> Following year	43.28	44.13	41.19	42.36	44.43	45.55	36.80	38.21	13.19	13.82
2 <sup>nd</sup> Following year	32.25	34.20	28.69	31.22	30.03	32.36	27.12	30.04	7.06	7.92
3 <sup>rd</sup> Following year	23.70	26.14	20.19	23.24	21.66	24.52	18.67	22.05	4.50	5.39
4 <sup>th</sup> Following year	17.45	20.01	14.02	17.08	15.17	18.05	13.73	17.32	2.77	3.54
5 <sup>th</sup> Following year	13.49	16.10	9.55	12.30	10.46	13.08	9.17	12.25	1.68	2.30
Thereafter	32.21	42.57	24.65	37.03	26.93	38.29	22.38	35.25	2.47	3.92

**vi. Description of Risk Exposures:**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -

- Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk- If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate- Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality- Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals- Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**c) Other long-term employee benefits:**

The Group provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years or receive cash compensation on termination of employment. During the current period from 1 April 2020 to 31 December 2020, the Group has incurred an expense on compensated absences amounting to Rs. (0.74) million (for the period 1 April 2019 to 31 December 2019: Rs. (0.78) million, 31 March 2020 Rs. 0.87 million, 31 March 2019: Rs. (5.31) million, 31 March 2018: Rs. (4.52) million). The Group determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.

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**31 Employee stock option scheme****31 (a) 2013 plan**

The Company has established Employee Stock Option Scheme 2013 ("ESOS 2013") with effect from 1 October 2013 to enable the employees of the Company to participate in the future growth and success of the Company. ESOS 2013 is operated at the discretion of the Board of directors.

These options which confer a right but not an obligation on the employee to apply for equity shares of the Company once the terms and conditions set forth in the Employee Stock Option Scheme 2013 ("ESOS 2013") and the option agreement have been met. Vesting of options would be subject to continued employment with the Company and meeting the requisite performance parameters.

The Company had below share based payment arrangement under ESOS 2013 as on 31 December 2020:

Particulars	Date of grants	Number of option granted	Exercise price (in Rs)
Grant I	1-Oct-13	108	32,696
Grant II	1-Sep-15	254	199,877
Grant III	5-Sep-18	29	339,213

**Conditions:**

Vesting condition	Continued employment with the Company and fulfilment of performance parameters
Exercise period	Exercise on listing / strategic sale
Method of settlement	Equity

**Vesting period**

Particulars	Grant I	Grant II	Grant III
At the end of one year	0%	50%	100%
At the end of two year	50%	25%	0%
At the end of three year	25%	25%	0%
At the end of four year	25%	0%	0%

**Modification of Employee Stock Option Scheme**

The Company has made capital restructuring by way of right issues to existing shareholder. In accordance with the "ESOS 2013" scheme, non-discretionary anti-dilution provisions exists. Resulting in terms of modification of the scheme, there by additional options have been given to option grantees by the company. Due to existence of non-discretionary provision this has not resulted in any incremental share based payment expense reason being the fair value of the options immediately before and after the rights issue were same.

Particulars	Grant I	Grant II
Revised exercise price	32,696	199,877
Additional ESOS issued	112	265
Revised ESOS in force	220	519

**Reconciliation of outstanding share options:****For the period ended 31 December 2020**

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2020	654	32,696 to 339,213	178,959	3.50
Add: Options granted during the period	-	-	-	-
Less: Options lapsed during the period	-	-	-	-
<b>Options outstanding as at 31 December 2020</b>	<b>654</b>	<b>32,696 to 339,213</b>	<b>178,959</b>	<b>2.75</b>
<b>Exercisable options as at 31 December 2020</b>	<b>654</b>	<b>32,696 to 339,213</b>	<b>178,959</b>	<b>2.75</b>

**For the period ended 31 December 2019**

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2019	654	32,696 to 339,213	178,959	3.00
Add: Options granted during the period	-	-	-	-
Less: Options lapsed during the period	-	-	-	-
<b>Options outstanding as at 31 December 2019</b>	<b>654</b>	<b>32,696 to 339,213</b>	<b>178,959</b>	<b>3.00</b>
<b>Exercisable options as at 31 December 2019</b>	<b>654</b>	<b>32,696 to 339,213</b>	<b>178,959</b>	<b>3.00</b>

**For the year ended 31 March 2020**

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2019	654	32,696 to 339,213	178,959	3.00
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	-
<b>Options outstanding as at 31 March 2020</b>	<b>654</b>	<b>32,696 to 339,213</b>	<b>178,959</b>	<b>3.50</b>
<b>Exercisable options as at 31 March 2020</b>	<b>654</b>	<b>32,696 to 339,213</b>	<b>178,959</b>	<b>3.50</b>

**For the year ended 31 March 2019**

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2018	739	32,696 to 199,877	150,107	2.42
Add: Options granted during the year	29	339,213	339,213	3.00
Less: Options lapsed during the year	-	-	-	0.00
Less: Options cancelled during the year *	114	32,696	32,696	-
<b>Options outstanding as at 31 March 2019</b>	<b>654</b>	<b>32,696 to 339,213</b>	<b>178,959</b>	<b>3.00</b>
<b>Exercisable options as at 31 March 2019</b>	<b>625</b>	<b>32,696 to 339,213</b>	<b>171,523</b>	<b>3.00</b>

**For the year ended 31 March 2018**

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Options outstanding at 1 April 2017	739	32,696 to 199,877	150,107	3.42
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	-
Less: Options exercised during the year	-	-	-	-
<b>Options outstanding as at 31 March 2018</b>	<b>739</b>	<b>32,696 to 199,877</b>	<b>150,107</b>	<b>2.42</b>
<b>Exercisable options as at 31 March 2018</b>	<b>609</b>	<b>32,696 to 199,877</b>	<b>139,483</b>	<b>2.42</b>

**Valuation of stock option**

Options have been valued based on fair value method as described under Ind AS 102 Share based payments, using Black Scholes valuation options pricing model, by using the fair value of the company's shares on the grant date.

Particulars	Grant I	Grant II
Grant date	1-Oct-13	1-Sep-15
Share price	316,042	407,275
Exercise price	66,603	407,275
Expected volatility	27.50%	27.50%
Expected life	5.42	4.5
Expected dividend	0%	0%
Risk-free interest rate (based on government bonds)	8.82%	7.79%
Fair value	274,744	153,254

\* The Company during the previous year 2018-19 partially cancelled the Employee Stock Option grants based on the mutual agreement with the employee for settlement through cash. The cash consideration towards the partial cancellation of ESOP grants has been accounted for as repurchase of an equity interest to the extent that the consideration does not exceed the fair value of the equity share on the date of cancellation.

The consideration paid to the employee in excess of the ESOP reserve related to the partially cancelled Employee Stock Option grants is adjusted through retained earnings considering the consideration did not exceed the fair value of the equity shares on the date of cancellation.

**Valuation of stock option**

Options have been valued based on fair value method as described under Ind AS 102 Share based payments, using Black Scholes valuation options pricing model, by using the fair value of the company's shares on the grant date.

Particulars	Grant I	Grant II	Grant III
Grant date	1-Oct-13	1-Sep-15	5-Sep-18
Share price in Rs.	316,032	407,275	339,213
Exercise price in Rs.	66,603	407,275	339,213
Expected volatility	27.50%	27.50%	26.37%
Expected life	5.42	4.50	2.57
Expected dividend	0%	0%	0%
Risk-free interest rate (based on government bonds)	8.82%	7.79%	7.80%
Fair value in Rs.	274,744	153,254	88,004

**Share-based payment expense**

For details on employee benefit expenses refer Note 23.

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**31 (b) Employee stock option scheme of subsidiary:****Medi Assist Insurance TPA Private Limited****2012 plan**

The Company has introduced Employee Stock Option Scheme 2012 ("ESOS 2012") with effect from 30 April 2012 to enable the employees of the Company to participate in the future growth and success of the Company. ESOS 2012 is operated at the discretion of the Board.

The Company has granted to its employee 87,842 employee stock options on 30 April 2012, 17,333 employee stock options on 30 April 2013, 28,198 employee stock options on 1 June 2014, 6,374 employee stock options on 1 June 2015, 13,500 employee stock options on 15 September 2015, 29,000 employee stock options on 15 July 2016 and 45,394 employee stock options on 1 July 2017. These options which confer a right but not an obligation on the employee to apply for equity shares of the Company once the terms and conditions set forth in the Employee Stock Option Scheme 2012 ("ESOS 2012") and the option agreement have been met. Vesting of options would be subject to continued employment with the Company and meeting the requisite performance parameters. As at the balance sheet date 86,257 options were vested to the employees.

The Company had below share based payment arrangement under ESOS 2012 as on 31 March 2020

Particulars	Date of grants	Number of option granted	(Amount in Rs.)
			Exercise price
Grant I	30-Apr-12	45,400	140
Grant II	30-Apr-12	40,124	140
Grant III	30-Apr-12	2,318	140
Grant IV	30-Apr-13	17,333	235
Grant V	1-Jun-14	28,198	966
Grant VI	1-Jun-15	6,374	1,244
Grant VII	15-Sep-15	13,500	1,244
Grant VIII	15-Jul-16	29,000	1,368
Grant IX	1-Jul-17	18,110	1,505
Grant X	1-Jul-17	15,405	1,505
Grant XI	1-Jul-17	7,434	1,505
Grant XII	1-Jul-17	4,445	1,505

**Conditions**

Vesting condition	Continued employment with the Company and fulfillment of performance parameters
Exercise period	Exercise on listing / strategic sale
Method of settlement	Equity

**Vesting schedule**

	Grant I	Grant II	Grant III	Grant IV, V, VI, VII, VIII and IX
At the end of 1 year	15%	33%	100%	15%
At the end of 2 year	20%	33%	-	20%
At the end of 3 year	30%	34%	-	30%
At the end of 4 year	35%	-	-	35%

	Grant X	Grant XI	Grant XII
At the end of 1 year	35%	65%	100%
At the end of 2 year	30%	35%	0%
At the end of 3 year	35%	0%	0%
At the end of 4 year	0%	0%	0%

**Modified Vesting schedule**

	Grant I	Grant II	Grant III	Grant IV, V, VI, VII, VIII and IX
Immediate	100%	100%	100%	100%

	Grant X	Grant XI	Grant XII
Immediate	100%	100%	100%

**Fair value of options Pre and Post modification:**

Particulars	Date of grants	(Amount in Rs.)	
		Fair Value Pre Modification	Fair Value Post Modification
Grant I	30-Apr-12	2,160	2,139
Grant II	30-Apr-12	2,160	2,139
Grant III	30-Apr-12	2,160	2,139
Grant IV	30-Apr-13	2,085	2,049
Grant V	1-Jun-14	1,512	1,363
Grant VI	1-Jun-15	1,295	1,103
Grant VII	15-Sep-15	1,296	1,103
Grant VIII	15-Jul-16	1,224	986
Grant IX	1-Jul-17	1,174	858
Grant X	1-Jul-17	1,123	858
Grant XI	1-Jul-17	1,096	858
Grant XII	1-Jul-17	1,096	858

Fair market value as on the date of modification Rs. 2,270 per option.

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## 31 (b) Employee stock option scheme of subsidiary (continued)

## Reconciliation of outstanding employee stock options:

## For the period ended 31 December 2020

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2020	86,257	140 - 1,505	709	1.00
Add: Options granted during the period	-	-	-	-
Less: Options lapsed during the period	-	-	-	-
<b>Options outstanding as at 31 December 2020</b>	<b>86,257</b>	<b>140 - 1,505</b>	<b>709</b>	<b>1.00</b>
<b>Exercisable options as at 31 December 2020</b>	<b>86,257</b>	<b>140 - 1,505</b>	<b>709</b>	<b>1.00</b>

## For the period ended 31 December 2019

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2019	86,257	140 - 1,505	709	1.00
Add: Options granted during the period	-	-	-	-
Less: Options lapsed during the period	-	-	-	-
<b>Options outstanding as at 31 December 2019</b>	<b>86,257</b>	<b>140 - 1,505</b>	<b>709</b>	<b>1.00</b>
<b>Exercisable options as at 31 December 2019</b>	<b>86,257</b>	<b>140 - 1,505</b>	<b>709</b>	<b>1.00</b>

## For the year ended 31 March 2020

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2019	86,257	140 - 1,505	709	1.00
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	-
<b>Options outstanding as at 31 March 2020</b>	<b>86,257</b>	<b>140 - 1,505</b>	<b>709</b>	<b>1.00</b>
<b>Exercisable options as at 31 March 2020</b>	<b>86,257</b>	<b>140 - 1,505</b>	<b>709</b>	<b>1.00</b>

## For the year ended 31 March 2019

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2018	157,451	140 - 1,505	925	3.28
Add: Options granted during the year	-	-	-	-
Less: Options cancelled during the year *	71,194	140 - 1,505	1,186	-
<b>Options outstanding as at 31 March 2019</b>	<b>86,257</b>	<b>140 - 1,505</b>	<b>709</b>	<b>1.00</b>
<b>Exercisable options as at 31 March 2019</b>	<b>86,257</b>	<b>140 - 1,505</b>	<b>709</b>	<b>1.00</b>

## For the year ended 31 March 2018

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2017	121,814	140-1,368	744	4.15
Add: Options granted during the year	45,394	1,505	1,505	3.28
Less: Options lapsed during the year	9,757	235-1,505	1,371	-
<b>Options outstanding as at 31 March 2018</b>	<b>157,451</b>	<b>140-1,505</b>	<b>925</b>	<b>3.28</b>
<b>Exercisable options as at 31 March 2018</b>	<b>76,467</b>	<b>140-1,505</b>	<b>433</b>	<b>3.28</b>

\* The subsidiary Company during the year ended 31 March 2019 partially cancelled the ESOP grants based on the mutual agreement with the employees for settlement through cash. The cash consideration towards the partial cancellation of ESOP grants has been accounted for as repurchase of an equity interest to the extent that the consideration does not exceed the fair value of the equity share on the date of cancellation.

The consideration paid to the employee in excess of the ESOP reserve related to the partially cancelled Employee Stock Option grants is adjusted through retained earnings considering the consideration did not exceed the fair value of the equity shares on the date of cancellation.

## Expenses summary of share-based payment

For details on employee benefit expenses refer Note 23.

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**32 Financial instruments – Fair values and risk management****A. Accounting classification and fair values**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are presented below, other than those with carrying amounts that are reasonable approximations of fair values"

**As at 31 December 2020**

Particulars	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non-current</b>								
Investments *	138.32	62.51	-	200.83	16.11	-	184.72	200.83
Loans receivable	-	-	55.42	55.42	-	-	-	-
Other financial assets	-	-	35.54	35.54	-	-	-	-
<b>Current</b>								
Investments	329.02	-	-	329.02	329.02	-	-	329.02
Trade receivables	-	-	607.76	607.76	-	-	-	-
Unbilled receivables	-	-	958.34	958.34	-	-	-	-
Cash and cash equivalents	-	-	327.12	327.12	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	649.20	649.20	-	-	-	-
Loans receivable	-	-	17.80	17.80	-	-	-	-
Other financial assets	-	-	196.19	196.19	-	-	-	-
	<b>467.34</b>	<b>62.51</b>	<b>2,847.37</b>	<b>3,377.22</b>	<b>345.13</b>	-	<b>184.72</b>	<b>529.85</b>
<b>Financial liabilities</b>								
<b>Current</b>								
Borrowing	-	-	717.50	717.50	-	-	-	-
Trade and other payables	-	-	357.84	357.84	-	-	-	-
Other financial liabilities	-	-	37.64	37.64	-	-	-	-
	-	-	<b>1,112.98</b>	<b>1,112.98</b>	-	-	-	-

\*The Non-Current investments measured at FVTPL are held for sale - Refer Note 47.

**As at 31 December 2019**

Particulars	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non-current</b>								
Investments	98.83	63.19	-	162.02	16.93	-	145.09	162.02
Loans receivable	-	-	62.86	62.86	-	-	-	-
Other financial assets	-	-	6.04	6.04	-	-	-	-
<b>Current</b>								
Investments	708.20	-	-	708.20	708.20	-	-	708.20
Trade receivables	-	-	638.25	638.25	-	-	-	-
Unbilled receivables	-	-	835.97	835.97	-	-	-	-
Cash and cash equivalents	-	-	157.89	157.89	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	58.14	58.14	-	-	-	-
Loans receivable	-	-	7.81	7.81	-	-	-	-
Other financial assets	-	-	186.72	186.72	-	-	-	-
	<b>807.03</b>	<b>63.19</b>	<b>1,953.68</b>	<b>2,823.90</b>	<b>725.13</b>	-	<b>145.09</b>	<b>870.22</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowing	-	-	1.73	1.73	-	-	-	-
<b>Current</b>								
Borrowing	-	-	548.00	548.00	-	-	-	-
Trade and other payables	-	-	349.96	349.96	-	-	-	-
Other financial liabilities	-	-	417.84	417.84	-	-	-	-
	-	-	<b>1,317.53</b>	<b>1,317.53</b>	-	-	-	-

**As at 31 March 2020**

Particulars	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non-current</b>								
Investments	92.05	60.30	-	152.35	14.04	-	138.31	152.35
Loans receivable	-	-	55.97	55.97	-	-	-	-
Other financial assets	-	-	22.88	22.88	-	-	-	-
<b>Current</b>								
Investments	566.80	-	-	566.80	566.80	-	-	566.80
Trade receivables	-	-	678.84	678.84	-	-	-	-
Unbilled receivables	-	-	758.38	758.38	-	-	-	-
Cash and cash equivalents	-	-	139.95	139.95	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	251.39	251.39	-	-	-	-
Loans receivable	-	-	13.46	13.46	-	-	-	-
Other financial assets	-	-	581.71	581.71	-	-	-	-
	<b>658.85</b>	<b>60.30</b>	<b>2,502.58</b>	<b>3,221.73</b>	<b>580.84</b>	-	<b>138.31</b>	<b>719.15</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowing	-	-	1.77	1.77	-	-	-	-
<b>Current</b>								
Borrowing	-	-	717.50	717.50	-	-	-	-
Trade and other payables	-	-	386.90	386.90	-	-	-	-
Other financial liabilities	-	-	418.16	418.16	-	-	-	-
	-	-	<b>1,524.33</b>	<b>1,524.33</b>	-	-	-	-

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32 Financial instruments – Fair values and risk management (continued)

As at 31 March 2019

Particulars	Carrying amount			Total	Fair value			Total
	FVTPL	FVOCI	Amortised cost		Level 1	Level 2	Level 3	
<b>Financial assets</b>								
<b>Non-current</b>								
Investments	52.82	81.75	-	134.57	23.84	-	110.74	134.57
Loans receivable	-	-	50.02	50.02	-	-	-	-
Other financial assets	-	-	5.70	5.70	-	-	-	-
<b>Current</b>								
Investments	745.75	-	-	745.75	745.75	-	-	745.75
Trade receivables	-	-	901.91	901.91	-	-	-	-
Unbilled receivables	-	-	908.45	908.45	-	-	-	-
Cash and cash equivalents	-	-	98.66	98.66	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	36.97	36.97	-	-	-	-
Loans receivable	-	-	11.61	11.61	-	-	-	-
Other financial assets	-	-	51.90	51.90	-	-	-	-
	<b>798.57</b>	<b>81.75</b>	<b>2,065.22</b>	<b>2,945.54</b>	<b>769.59</b>	<b>-</b>	<b>110.74</b>	<b>880.32</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowing	-	-	1.60	1.60	-	-	-	-
<b>Current</b>								
Borrowing	-	-	523.00	523.00	-	-	-	-
Trade and other payables	-	-	657.39	657.39	-	-	-	-
Other financial liabilities	-	-	98.40	98.40	-	-	-	-
	<b>-</b>	<b>-</b>	<b>1,280.39</b>	<b>1,280.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at 31 March 2018

Particulars	Carrying amount			Total	Fair value			Total
	FVTPL	FVOCI	Amortised cost		Level 1	Level 2	Level 3	
<b>Financial assets</b>								
<b>Non-current</b>								
Investments	112.15	119.95	-	232.10	44.15	-	187.95	232.10
Loans receivable	-	-	82.17	82.17	-	-	-	-
Other financial assets	-	-	58.46	58.46	-	-	-	-
<b>Current</b>								
Investments	680.10	-	-	680.10	680.10	-	-	680.10
Trade receivables	-	-	976.61	976.61	-	-	-	-
Unbilled receivables	-	-	755.92	755.92	-	-	-	-
Cash and cash equivalents	-	-	59.71	59.71	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	60.50	60.50	-	-	-	-
Loans receivable	-	-	15.01	15.01	-	-	-	-
Other financial assets	-	-	9.18	9.18	-	-	-	-
	<b>792.25</b>	<b>119.95</b>	<b>2,017.56</b>	<b>2,929.76</b>	<b>724.25</b>	<b>-</b>	<b>187.95</b>	<b>912.20</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowing	-	-	1.44	1.44	-	-	-	-
<b>Current</b>								
Borrowing	-	-	523.00	523.00	-	-	-	-
Trade and other payables	-	-	491.21	491.21	-	-	-	-
Other financial liabilities	-	-	140.08	140.08	-	-	-	-
	<b>-</b>	<b>-</b>	<b>1,155.73</b>	<b>1,155.73</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

B. Measurement of fair values

The following methods and assumptions were used to estimate the fair values:

- The fair values of the units of mutual fund schemes are based on net asset value at the reporting date.
- The fair values of the equity shares invested in 'The New India Assurance Co Ltd' is as per the closing market price at the reporting date
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

Reconciliation of fair value measurement of non-current investments being classified as FVTPL/FVOCI (Level 3):

Particulars	Investment in financial assets
Opening balance as on 1 April 2017	162.74
Addition during the period	-
Fair value movement recognised in statement of profit and loss	36.41
Fair value movement recognised in other comprehensive income	(11.20)
<b>Closing balance as on 31 March 2018</b>	<b>187.95</b>
Opening balance as on 1 April 2018	187.95
Addition during the year	9.94
Fair value movement recognised in statement of profit and loss	(69.25)
Fair value movement recognised in other comprehensive income	(17.90)
<b>Closing balance as on 31 March 2019</b>	<b>110.74</b>
Opening balance as on 1 April 2019	110.74
Addition during the year	-
Fair value movement recognised in statement of profit and loss	39.22
Fair value movement recognised in other comprehensive income	(11.64)
<b>Closing balance as on 31 March 2020</b>	<b>138.32</b>
Opening balance as on 1 April 2019	110.74
Addition during the period	-
Fair value movement recognised in restated standalone statement of profit and loss	45.99
Fair value movement recognised in other comprehensive income	(11.64)
<b>Closing balance as on 31 December 2019</b>	<b>145.09</b>
Opening balance as on 1 April 2020	138.32
Addition during the period	-
Fair value movement recognised in restated standalone statement of profit and loss	46.27
Fair value movement recognised in other comprehensive income	0.14
<b>Closing balance as on 31 December 2020</b>	<b>184.73</b>

A one percentage change in the unobservable inputs used in the fair valuation of level 3 assets does not have a significant impact in the fair value of the financial instrument.

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended 31 March 2020.

Description of significant unobservable inputs to valuation:

Name of financial asset	Valuation technique	Significant unobservable inputs
Investment in unquoted equity shares and preference shares	Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow to the Group arising from the investments in financial assets.	Long term growth rate Discount rate Revenue multiple

These investments in unquoted equity shares and preference shares are carried at fair value based on recent round of funding received by investee companies.

**32 Financial instruments – Fair values and risk management (continued)**

**C. Financial risk management**

**Risk management framework**

The Group's management has overall responsibility for the establishment and oversight of the risk management framework.

The Group's management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The management is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the management.

**The Group has exposure to the following risks arising from financial instruments:**

- Market risk;
- Credit risk; and
- Liquidity risk

**i. Market risk**

Market risk is the risk that changes in market prices, such as interest rates and equity prices, will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

The Group's borrowings are at fixed rate of interest and therefore any change in the base interest rate will not have any impact of restated consolidated financial information.

**Currency risk**

The Group primarily renders services and avails goods and services in domestic currency i.e. Indian rupees. Hence, no exposure to currency risk.

**Equity price risk**

The Group's investment in listed and unlisted equity and preference securities are susceptible to market price risk arising from uncertainties about the future value of investment in these securities. The Group manages these price risks through strategic investments and placing limits on individual investments. The investments reports are submitted to the senior management and the Board reviews and approves these investment decisions.

**Sensitivity risk - equity price risk**

The investment in listed equity shares on Bombay Stock Exchange in India, for such investment being classified as fair value through other comprehensive income, an increase of 2% in BSE index at the reporting date

Particulars	As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
2% change in index	0.26	(0.26)	0.31	(0.31)	0.57	(0.57)

Particulars	As at 31 December 2020		As at 31 December 2019	
	Increase	Decrease	Increase	Decrease
2% change in index	0.26	(0.26)	0.31	(0.31)

**ii. Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure:

- a. Trade receivables
- b. Unbilled receivables
- c. Cash and bank balances
- d. Loans receivables

**Trade receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group Companies individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

The maximum exposure to credit risk for trade receivables was as follows

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
Trade receivables	736.65	694.15	730.98	948.81	1,026.48
	<b>736.65</b>	<b>694.15</b>	<b>730.98</b>	<b>948.81</b>	<b>1,026.48</b>

**Impairment analysis**

The ageing of trade receivables is as follows:

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
Less than 1 year	399.80	367.40	405.00	815.10	804.90
1-2 years	76.00	163.00	167.00	93.00	137.00
2-3 years	118.00	132.00	124.00	25.00	45.00
More than 3 years	142.85	31.75	34.98	15.71	39.58
	<b>736.65</b>	<b>694.15</b>	<b>730.98</b>	<b>948.81</b>	<b>1,026.48</b>

The movement in the allowance for impairment in respect of trade receivables during the period/year was as follows:

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
Balance at the beginning of the period/year	52.14	46.90	46.90	49.87	34.67
Impairment loss recognized in statement of profit and loss	76.75	9.00	14.18	2.10	15.34
Amounts written off	-	-	(2.61)	(5.07)	(0.15)
Transfer on account of demerger	-	-	(6.33)	-	-
Balance at the end of the period/year	<b>128.89</b>	<b>55.90</b>	<b>52.14</b>	<b>46.90</b>	<b>49.86</b>

The Management determines the rate of default based on the historical trend and credit worthiness of the counterparties including the ageing matrix.

The group considers trade receivables to be in default when it is 365 days or more past due and accordingly the default percentage is applied.

The significant change in the gross carrying amount of trade receivables contributed to the increase in the impairment loss allowance for the period ended 31 December 2020 due to change in the ageing bucket of receivables.

The Group's principal customers include few large insurance companies including Public Sector Undertakings where top five customers contribute substantial revenue to Group's total revenue. The Group's dependence on these large clients exposes us to risks associated with their internal management, financial condition and creditworthiness, change of management, mergers and acquisitions. The loss of one or more of our large clients or a decline in the amount of business or fees we obtain from them or an adverse change in the determination of the fees that we receive from them could have effect on our business and results of operations.

**32 Financial instruments – Fair values and risk management (continued)****ii. Credit risk (continued)****Impact of COVID-19**

Trade receivables, unbilled receivables and other receivables forms a significant part of the financial assets carried at amortized cost which is valued considering provision for allowance using expected credit loss (ECL) method. In addition to the historical pattern of credit loss, we have evaluated the likelihood of increased credit risk and consequential default considering emerging COVID-19 situation. This assessment considers the current collection pattern across business lines and the financial strength of customers. The Group is closely monitoring the developments across various business lines. Basis this assessment, provision made towards ECL is considered adequate.

**Unbilled receivables**

There are no credit risk exposure arising on account of unbilled receivables and other receivables based on assessment of credit rating of counterparties. For recognition of impairment loss on other financial assets the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date, the credit risk has not increased significantly since its original recognition. However, if credit risk has increased significantly, lifetime ECL is used. ECL impairment loss allowance (or reversal) recognized in the statement of profit and loss.

**Cash and cash equivalents and other bank balances**

The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties with good credit rating.

**Loans receivables**

These represents security deposits given towards office premises taken on lease under contractual arrangement and EMD deposit for participation in tender.

**iii. Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group reputation.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements:

**As at 31 December 2020**

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
<b>Non-current, non-derivative financial liabilities</b>						
Lease liabilities	-	115.02	211.40	95.73	-	422.15
<b>Financial liabilities</b>						
Bank overdraft facility	194.50	194.50	-	-	-	
Redeemable preference share capital	523.00	523.00	-	-	-	523.00
Trade and other payables	357.84	357.84	-	-	-	357.84
Current maturities of non-current debts	1.92	2.00	-	-	-	2.00
Other current financial liabilities	37.64	37.64	-	-	-	37.64
	<b>1,114.89</b>	<b>1,230.00</b>	<b>211.40</b>	<b>95.73</b>	<b>-</b>	<b>1,342.62</b>

**As at 31 December 2019**

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
<b>Non-current, non-derivative financial liabilities</b>						
20,000 0.0001% Non-convertible debentures	1.73	-	-	2.00	-	2.00
<b>Financial liabilities</b>						
Bank overdraft facility	25.00	25.00	-	-	-	
Redeemable preference share capital	523.00	523.00	-	-	-	523.00
Trade and other payables	349.96	349.96	-	-	-	349.96
Other current financial liabilities	417.84	417.84	-	-	-	417.84
	<b>1,317.53</b>	<b>1,439.59</b>	<b>230.78</b>	<b>193.37</b>	<b>-</b>	<b>1,838.74</b>

**As at 31 March 2020**

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
<b>Non-current, non-derivative financial liabilities</b>						
20,000 0.0001% Non-convertible debentures	1.77	-	-	2.00	-	2.00
<b>Financial liabilities</b>						
Bank overdraft facility	194.50	194.50	-	-	-	
Redeemable preference share capital	523.00	523.00	-	-	-	523.00
Trade and other payables	386.90	386.90	-	-	-	386.90
Other current financial liabilities	418.16	418.16	-	-	-	418.16
	<b>1,951.82</b>	<b>1,644.24</b>	<b>225.29</b>	<b>169.49</b>	<b>-</b>	<b>1,844.52</b>

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## As at 31 March 2019

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
<b>Non-current, non-derivative financial liabilities</b>						
20,000 0.0001% Non-convertible debentures	1.60	-	-	2.00	-	2.00
<b>Financial liabilities</b>						
Redeemable preference share capital	523.00	523.00	-	-	-	523.00
Trade and other payables	657.39	657.39	-	-	-	657.39
Other current financial liabilities	98.40	98.40	-	-	-	98.40
	<b>1,698.56</b>	<b>1,395.67</b>	<b>237.17</b>	<b>271.06</b>	<b>8.23</b>	<b>1,912.13</b>

## As at 31 March 2018

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
<b>Non-current, non-derivative financial liabilities</b>						
20,000 0.0001% Non-convertible debentures	1.44	-	-	2.00	-	2.00
<b>Financial liabilities</b>						
Redeemable preference share capital	523.00	523.00	-	-	-	523.00
Trade and other payables	491.21	491.21	-	-	-	491.21
Other current financial liabilities	140.08	140.08	-	-	-	140.08
	<b>1,155.73</b>	<b>1,254.55</b>	<b>238.56</b>	<b>323.21</b>	<b>71.57</b>	<b>1,887.89</b>

## Netting off arrangement between company and Mandala Wellness Private Limited (MWPL)

Particulars	As of 1 April 2020		
	Gross and net amounts of financial instrument in the balance sheet	Related financial instrument that are not offset	Net amount
<b>Financial asset</b>			
<b>Other financial asset</b>			
Other receivables		565.51	363.83
		<b>565.51</b>	<b>363.83</b>
<b>Financial liabilities</b>			
<b>Other financial liabilities</b>			
Payable pursuant to demerger		(363.83)	(363.83)
		<b>(363.83)</b>	<b>(363.83)</b>

The Company entered into an netting off arrangement with MWPL for offsetting the payable pursuant to demerger against the receivable for business support services in the same currency as per the settlement arrangement.

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### 33 Capital management

The Group policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Capital Management policy focusses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Group's adjusted net debt to total equity ratio were as follows.

<b>Particulars</b>	<b>As at 31 December 2020</b>	<b>As at 31 December 2019</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
Total borrowings	719.42	549.73	719.27	524.60	524.44
Less : Cash and cash equivalent	(327.12)	(157.89)	(139.95)	(98.66)	(59.71)
<b>Adjusted net debt</b>	<b>392.30</b>	<b>391.84</b>	<b>579.32</b>	<b>425.94</b>	<b>464.73</b>
<b>Total equity (Including NCI)</b>	<b>2,474.40</b>	<b>2,116.16</b>	<b>2,145.94</b>	<b>2,199.98</b>	<b>2,075.03</b>
<b>Adjusted net debt to Total equity ratio</b>	<b>0.16</b>	<b>0.19</b>	<b>0.27</b>	<b>0.19</b>	<b>0.22</b>

### 34 Segment reporting

- (a) Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that business enterprises reporting information about the operating segment and related disclosure made by the Chief Operating Decision Maker (CODM).

The Group is engaged in the business of Health Benefits Administration and Health Management Services, The CODM reviews these activities under the context of Ind AS 108 Operating Segment as one single primary segment to evaluate the overall performance assessment of entity's operating segment.

- (b) **Information about major customers (external customers):**

The following is the transactions by the Group with external customers individually contributing 10 per cent or more of the Group's revenue from operations:

(i) For the period ended 31 December 2020, revenue from operations of two customers of the Group represented approximately 39% and 11%, of the Group's revenue from operations.

(ii) For the period ended 31 December 2019, revenue from operations of three customers of the Group represented approximately 36%, 13% and 10%, of the Group's revenue from operations.

(iii) For the year ended 31 March 2020, revenue from operations of two customers of the Group represented approximately 34% and 12% of the Group's revenue from operations.

(iv) For the year ended 31 March 2019, revenue from operations of three customers of the Group represented approximately 31%, 17% and 12% of the Group's revenue from operations.

(v) For the year ended 31 March 2018, revenue from operations of three customers of the Group represented approximately 30%, 21% and 14% of the group's revenue from operations.

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**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**  
**Annexure VI - Notes to Restated Consolidated financial statements (continued)**  
*(All amounts are in Indian Rupees in millions, unless otherwise stated)*

**35 Movement in deferred tax assets/ (liabilities) (net)**

**i. Movement in deferred tax balances for the period ended 31 December 2020**

Particulars	Deferred tax (liabilities)/ assets as at 31 March 2020	Recognised in equity	Deferred tax assets/ (liabilities) as at 1 April 2020	Recognized in restated consolidated statement of profit and loss	Recognized in OCI	Deferred tax (liabilities)/ assets as at 31 December 2020	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and other intangible assets	(46.94)	-	(46.94)	(9.01)	-	(55.95)	-	(55.95)
Employee benefits	25.62	-	25.62	1.44	1.50	28.56	28.56	-
Allowance for expected credit losses	(3.72)	-	(3.72)	1.26	-	(2.46)	-	(2.46)
Financial liabilities	(0.05)	-	(0.05)	0.04	-	(0.01)	-	(0.01)
Financial assets	10.35	-	10.35	(10.78)	(0.27)	(0.70)	-	(0.70)
Security deposit	3.50	-	3.50	(0.62)	-	2.88	2.88	-
Other items	0.09	-	0.09	0.43	-	0.52	0.52	-
Provision for doubtful debts	23.40	-	23.40	18.06	-	41.46	41.46	-
Investments	(2.61)	-	(2.61)	0.19	-	(2.42)	-	(2.42)
Temporary differences on expenses	1.62	-	1.62	3.38	-	5.00	5.00	-
Right-of-use assets	(89.33)	-	(89.33)	17.29	-	(72.04)	-	(72.04)
Lease liabilities	107.58	-	107.58	(14.27)	-	93.31	93.31	-
	<b>29.51</b>	<b>-</b>	<b>29.51</b>	<b>7.41</b>	<b>1.23</b>	<b>38.15</b>	<b>171.73</b>	<b>(133.58)</b>

**ii. Movement in deferred tax balances for the period ended 31 December 2019**

Particulars	Deferred tax (liabilities)/ assets as at 31 March 2019	Recognised in equity	Deferred tax assets/ (liabilities) as at 1 April 2019	Recognized in restated consolidated statement of profit and loss	Recognized in OCI	Deferred tax (liabilities)/ assets as at 31 December 2019	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and other intangible assets	(54.14)	-	(54.14)	11.90	-	(42.24)	-	(42.24)
Employee benefits	24.15	-	24.15	(4.39)	3.25	23.01	23.01	-
Allowance for expected credit losses	10.47	-	10.47	(13.24)	-	(2.76)	-	(2.76)
Financial liabilities	(0.11)	-	(0.11)	0.05	-	(0.06)	-	(0.06)
Financial assets	15.25	-	15.25	(9.89)	3.52	8.90	8.90	-
Security deposit	3.63	-	3.63	0.42	-	4.05	4.05	-
Other items	1.20	-	1.20	(0.78)	-	0.42	0.42	-
Provision for doubtful debts	19.85	-	19.85	3.55	-	23.42	23.42	-
Investments	(11.38)	-	(11.38)	9.21	-	(2.17)	-	(2.17)
Temporary differences on expenses	1.17	-	1.17	0.45	-	1.62	1.62	-
Right-of-use assets	(113.24)	-	(113.24)	31.28	-	(81.96)	-	(81.96)
Lease liabilities	133.21	-	133.21	(32.83)	-	100.38	100.38	-
	<b>30.06</b>	<b>-</b>	<b>30.06</b>	<b>(4.27)</b>	<b>6.77</b>	<b>32.61</b>	<b>161.80</b>	<b>(129.19)</b>

**iii. Movement in deferred tax balances for the year ended 31 March 2020**

Particulars	Deferred tax (liabilities)/ assets as at 31 March 2019	Recognised in equity	Deferred tax assets/ (liabilities) as at 1 April 2019	Recognized in restated consolidated statement of profit and loss	Recognized in OCI	Deferred tax (liabilities)/ assets as at 31 March 2020	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and other intangible assets	(54.14)	-	(54.14)	7.20	-	(46.94)	-	(46.94)
Employee benefits	24.15	-	24.15	(2.67)	4.14	25.62	25.62	-
Allowance for expected credit losses	10.47	-	10.47	(14.19)	-	(3.72)	-	(3.72)
Financial liabilities	(0.11)	-	(0.11)	0.06	-	(0.05)	-	(0.05)
Financial assets	15.25	-	15.25	(8.76)	3.86	10.35	10.35	-
Security deposit	3.63	-	3.63	(0.13)	-	3.50	3.50	-
Other items	1.20	-	1.20	(1.11)	-	0.09	0.09	-
Provision for doubtful debts	19.85	-	19.85	3.55	-	23.40	23.40	-
Investments	(11.38)	-	(11.38)	8.77	-	(2.61)	-	(2.61)
Temporary differences on expenses	1.17	-	1.17	0.45	-	1.62	1.62	-
Right-of-use assets	(113.24)	-	(113.24)	23.91	-	(89.33)	-	(89.33)
Lease liabilities	133.21	-	133.21	(25.63)	-	107.58	107.58	-
	<b>30.06</b>	<b>-</b>	<b>30.06</b>	<b>(8.55)</b>	<b>8.00</b>	<b>29.51</b>	<b>172.16</b>	<b>(142.65)</b>



**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**

**Annexure VI - Notes to Restated Consolidated financial statements (continued)**

*(All amounts are in Indian Rupees in millions, unless otherwise stated)*

**iv. Movement in deferred tax balances for the year ended 31 March 2019**

Particulars	Deferred tax (liabilities)/ assets as at 31 March 2018	Recognised in equity	Deferred tax assets/ (liabilities) as at 1 April 2018	Recognized in restated consolidated statement of profit and loss	Recognized in OCI	Deferred tax (liabilities)/ assets as at 31 March 2019	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and other intangible assets	(54.09)	-	(54.09)	(0.05)	-	(54.14)	-	(54.14)
Employee benefits	25.59	-	25.59	(4.88)	3.44	24.15	24.15	-
Allowance for expected credit losses	1.83	-	1.83	8.64	-	10.47	10.47	-
Financial liabilities	(0.19)	-	(0.19)	0.08	-	(0.11)	-	(0.11)
Financial assets	(9.81)	-	(9.81)	21.14	3.92	15.25	15.25	-
Security deposit	3.92	-	3.92	(0.29)	-	3.63	3.63	-
Other items	0.70	-	0.70	0.50	-	1.20	1.20	-
Provision for doubtful debts	19.85	-	19.85	-	-	19.85	19.85	-
Investments	(6.47)	-	(6.47)	(4.91)	-	(11.38)	-	(11.38)
Temporary differences on expenses	3.03	-	3.03	(1.86)	-	1.17	1.17	-
Right-of-use assets	(138.36)	-	(138.36)	25.12	-	(113.24)	-	(113.24)
Lease liabilities	153.48	-	153.48	(20.27)	-	133.21	133.21	-
	<b>(0.52)</b>	<b>-</b>	<b>(0.52)</b>	<b>23.22</b>	<b>7.36</b>	<b>30.06</b>	<b>208.93</b>	<b>(178.87)</b>

**v. Movement in deferred tax balances for the year ended 31 March 2018**

Particulars	Deferred tax assets/ (liabilities) as at 31 March 2017	Recognised in equity	Deferred tax assets/ (liabilities) as at 1 April 2017	Recognized in restated consolidated statement of profit and loss	Recognized in OCI	Deferred tax (liabilities)/ assets as at 31 March 2018	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and other intangible assets	(42.28)	-	(42.28)	(11.81)	-	(54.09)	-	(54.09)
Employee benefits	22.92	-	22.92	1.77	0.90	25.59	25.59	-
Allowance for expected credit losses	1.72	-	1.72	0.11	-	1.83	1.83	-
Financial liabilities	(0.24)	-	(0.24)	0.05	-	(0.19)	-	(0.19)
Financial assets	(9.47)	-	(9.47)	(6.24)	5.90	(9.81)	-	(9.81)
Security deposit	0.11	-	0.11	3.81	-	3.92	3.92	-
Other items	7.29	-	7.29	(6.59)	-	0.70	0.70	-
Provision for doubtful debts	14.54	-	14.54	5.31	-	19.85	19.85	-
Investments	(6.54)	-	(6.54)	0.07	-	(6.47)	-	(6.47)
Temporary differences on expenses	9.01	-	9.01	(5.98)	-	3.03	3.03	-
Right-of-use assets	-	(119.33)	(119.33)	(19.03)	-	(138.36)	-	(138.36)
Lease liabilities	-	130.46	130.46	23.02	-	153.48	153.48	-
	<b>(2.94)</b>	<b>11.13</b>	<b>8.19</b>	<b>(15.51)</b>	<b>6.80</b>	<b>(0.52)</b>	<b>208.40</b>	<b>(208.92)</b>

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

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## 36 Tax expense relating to continuing operations

## (a) Amounts recognised in consolidated statement of profit and loss

Particulars	For the period	For the period	For the year ended	For the year ended	For the year ended
	1 April 2020 to 31 December 2020	1 April 2019 to 31 December 2019	31 March 2020	31 March 2019	31 March 2018
Current tax	147.76	130.60	226.20	174.18	194.87
Taxes for earlier year	-	19.39	19.39	-	(18.56)
Deferred tax charge/ (credit)	5.60	3.00	7.30	(23.22)	23.48
<b>Tax expense for the year</b>	<b>153.36</b>	<b>152.99</b>	<b>252.89</b>	<b>150.96</b>	<b>199.79</b>

## (b) Amounts recognised in other comprehensive income

Particulars	For the period ended 31 December 2020		
	Before tax	Tax benefit	Net of tax
<b>Items that will not be reclassified subsequently to the statement of profit and loss</b>			
Remeasurements of defined benefit (assets)/ liabilities	(5.95)	1.50	(4.45)
Net gain on financial assets measured at fair value through OCI	2.07	(0.27)	1.80
	<b>(3.88)</b>	<b>1.23</b>	<b>(2.65)</b>

Particulars	For the period ended 31 December 2019		
	Before tax	Tax benefit	Net of tax
<b>Items that will not be reclassified subsequently to the statement of profit and loss</b>			
Remeasurements of defined benefit (assets)/ liabilities	(12.90)	3.25	(9.65)
Net gain on financial assets measured at fair value through OCI	(18.56)	3.52	(15.04)
	<b>(31.46)</b>	<b>6.77</b>	<b>(24.69)</b>

Particulars	For the year ended 31 March 2020		
	Before tax	Tax benefit	Net of tax
<b>Items that will not be reclassified subsequently to the statement of profit and loss</b>			
Remeasurements of defined benefit (assets)/ liabilities	(16.69)	4.14	(12.55)
Net gain on financial assets measured at fair value through OCI	(21.46)	3.86	(17.60)
	<b>(38.15)</b>	<b>8.00</b>	<b>(30.15)</b>

Particulars	For the year ended 31 March 2019		
	Before tax	Tax benefit	Net of tax
<b>Items that will not be reclassified subsequently to the statement of profit and loss</b>			
Remeasurements of defined benefit (assets)/ liabilities	(11.82)	3.44	(8.38)
Net gain on financial assets measured at fair value through OCI	(38.20)	3.92	(34.28)
	<b>(50.02)</b>	<b>7.36</b>	<b>(42.66)</b>

Particulars	For the year ended 31 March 2018		
	Before tax	Tax benefit	Net of tax
<b>Items that will not be reclassified subsequently to the statement of profit and loss</b>			
Remeasurements of defined benefit (assets)/ liabilities	(2.62)	0.90	(1.72)
Net gain on financial assets measured at fair value through OCI	(17.05)	5.90	(11.15)
	<b>(19.67)</b>	<b>6.80</b>	<b>(12.87)</b>

**36 Tax expense relating to continuing operations (continued)**

**Reconciliation of effective tax rate**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Profit before tax for the year	534.24	504.99	633.64	480.70	638.56
Statutory rate	25.17%	25.17%	25.17%	29.12%	34.61%
Tax using Group's statutory rate	134.47	127.11	159.49	139.98	220.99
<b>Tax effect of:</b>					
Employee stock option scheme accounted at fair value	-	0.28	0.28	5.28	6.42
Tax rate change	-	7.65	9.44	2.38	2.38
Exempt income	-	0.14	(0.81)	(0.69)	(3.24)
Dividend distribution tax	-	-	39.81	-	-
Disallowance of capital expenditure	-	-	-	-	1.34
Income tax expense for earlier year	-	19.39	19.39	-	(18.56)
Effect of tax base of goodwill non deductible for amortisation*	23.16	-	-	-	-
Demerger expenses	-	1.03	1.03	-	-
Impact of restatement entries on current tax	-	-	-	-	(2.26)
Effect of expenses not deductible for tax computation	(4.27)	(2.61)	24.26	4.01	(7.28)
	<b>153.36</b>	<b>152.99</b>	<b>252.89</b>	<b>150.96</b>	<b>199.79</b>
Current tax	147.76	130.60	226.20	174.18	194.87
Taxes for earlier year	-	19.39	19.39	-	(18.56)
Deferred tax charge/ (credit)	5.60	3.00	7.30	(23.22)	23.48

During the year 19-20, the Group decided to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the FY 19-20 and onwards.

\* Pursuant to the Finance Bill enacted in February 2021, the amortisation of goodwill will not be allowed as tax deduction with effect from 1 April 2020, hence the corresponding tax base of goodwill as at 1 April 2020 became Nil. Therefore, deferred tax charge for the period ended 31 December 2020 includes Rs. 23.16 million being the deferred tax liability recognised by the subsidiary on the difference between the book base and tax base of goodwill consequent upon enactment of above provisions.

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**37 Note on Demerger of Consumer health business division****(i) Summary of demerger**

During the financial year 2019-20, the Group approved demerger of its Consumer Facing Health and Wellness division ("CH Business") to a newly incorporated Group i.e. Mandala Wellness Private Limited ("MWPL" "Resulting Group"). Further, the Group filed a demerger scheme with National Company Law Tribunal (NCLT), Bengaluru Bench, with appointed date 1 September, 2019, as per Sections 230 to 232 and Section 66 of the Companies Act, 2013.

The NCLT, Bengaluru Bench on 4 November, 2020 sanctioned the Scheme of Arrangement amongst MWPL and the Group and their respective shareholders and creditors ("the Scheme") for the demerger of the CH Business. Upon the scheme becoming effective, the shareholders of the Group holding fully paid up equity shares would be entitled to either:

- 1) 15 (Fifteen) fully paid-up equity shares of face value of Rs. 10 (Rupees Ten Only) each of the Resulting Group shall be issued and allotted for every 1 (One) equity share of face value of Rs. 10 (Rupees Ten Only) each held in the Group." or
- 2) 15 (Fifteen) fully paid-up OCRPS of face value of Rs. 10 (Rupees Ten Only) each of the Resulting Group shall be issued and allotted in physical form for every 1 (One) equity share of face value of Rs. 10 (Rupees Ten Only) each held in the Group."

Further, preference Shareholders holding fully paid up Redeemable Preference shares in Group would be entitled to 1,000 (One Thousand) fully paid-up OCRPS of face value of Rs. 10 (Rupees Ten Only) each of the Resulting Group against 9,175 redeemable preference share of face value of Rs. 10 (Rupees Ten Only) in the Group."

The above transfer of CH Business into MWPL has been considered as a common control transaction as the per requirements of Appendix C of Ind AS 103 "Business Combination" Accordingly, the Group has restated the demerger of Consumer Facing Health and Wellness division ("CH Business") with effect from 1 April 2017. Net assets of CH business of Rs. 370.18 million is transferred to Demerger deficit balance.

**A The following identified assets and liabilities of the Group will be transferred to Resulting Group with effect from appointed date: (at carrying value)**

Particulars	As at 1 September 2019
<b>Assets to be transferred</b>	
<b>Non-current assets</b>	
Property, plant and equipment	12.60
Other intangible assets	24.70
Financial assets	
Loans receivables	1.62
<b>Current assets</b>	
Financial assets	
Trade receivables	131.91
Unbilled receivables	286.34
Cash and cash equivalents	0.22
Other receivables	363.83
Other current assets	0.34
<b>Total assets</b>	<b>821.56</b>
<b>Less: liabilities to be transferred</b>	
Financial liabilities	
Trade payables	116.89
Other financial liabilities	309.05
Other current liabilities	14.58
Provisions	10.86
<b>Total current liabilities</b>	<b>451.38</b>
<b>Amount transferred to demerger deficit balance</b>	<b>370.18</b>

**B The results of discontinued operations - Consumer Facing Health and Wellness division ("CH Business") for period/year ended:**

Particulars	For the period ended 1 April 2019 to 31 August 2019	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Revenue</b>			
Revenue from operations	645.27	1,239.29	788.98
Other income	-	-	-
<b>Total income</b>	<b>645.27</b>	<b>1,239.29</b>	<b>788.98</b>
<b>Expenses</b>			
Employee benefits	151.72	280.71	187.57
Finance costs	1.33	-	-
Depreciation and amortisation	7.70	16.53	2.68
Other expenses	548.20	1,035.45	677.95
<b>Total expenses</b>	<b>708.95</b>	<b>1,332.69</b>	<b>868.20</b>
<b>Loss before tax from a discontinued operations</b>	<b>(63.68)</b>	<b>(93.40)</b>	<b>(79.22)</b>
<b>Tax (expense) / Income</b>			
Tax credit from discontinued operations	15.12	23.31	27.42
	<b>15.12</b>	<b>23.31</b>	<b>27.42</b>
<b>Loss after tax from discontinued operations</b>	<b>(48.56)</b>	<b>(70.09)</b>	<b>(51.80)</b>

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C Phasorz Technologies Private Limited (referred to as "DocsApp") and Medi Assist Healthcare Services Limited (referred to as "MAHS") have entered into a Transitional Services Agreement dated 20 December 2019 for receiving the management services from MAHS relating to CH business via MWPL w.e.f appointed date of demerger till initial period of 6 months. As per the said agreement expenses pertaining to CH business which are subject to cross charge to DocsApp has been shown as receivable from DocsApp and corresponding liability has been shown as liability associated from discontinued operations under CH business. MAHS has recognised interest income on receivables from Docsapp as per the aforesaid agreement.

Particulars	For the period 1 September 2019 to 31 March 2020
Interest income	<u>10.23</u>

**(ii) Discontinued Operations - Card Processing Business**

During the nine months period ended December 2020, the Group has decided to discontinue the business operations pertaining to card processing from government contract. The Group has disclosed the discontinuation of card processing business as discontinued operations as per the requirement of Ind AS 105 'Non current asset held for sale and Discontinued operation'.

**The results of discontinued operations - Card Processing Business for period/ year ended:**

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Revenue</b>					
Revenue from operations	39.36	162.47	197.41	52.98	307.36
<b>Total income</b>	<u>39.36</u>	<u>162.47</u>	<u>197.41</u>	<u>52.98</u>	<u>307.36</u>
<b>Expenses</b>					
Employee benefits	13.88	7.28	9.84	4.89	11.27
Other expenses	87.54	143.41	180.88	42.94	263.44
<b>Total expenses</b>	<u>101.42</u>	<u>150.69</u>	<u>190.72</u>	<u>47.83</u>	<u>274.71</u>
<b>(Loss)/ Profit before tax from a discontinued operations</b>	<b>(62.07)</b>	<b>11.78</b>	<b>6.69</b>	<b>5.15</b>	<b>32.65</b>
<b>Tax Expense</b>					
Tax (credit)/ charge from discontinued operations	(12.13)	4.80	4.16	2.92	15.20
	<u>(12.13)</u>	<u>4.80</u>	<u>4.16</u>	<u>2.92</u>	<u>15.20</u>
<b>(Loss)/ Profit after tax from a discontinued operations</b>	<b>(49.94)</b>	<b>6.98</b>	<b>2.53</b>	<b>2.23</b>	<b>17.45</b>

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**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)****Annexure VI - Notes to Restated Consolidated financial statements (continued)***(All amounts are in Indian Rupees in millions, unless otherwise stated)***38 Business combination****Summary of acquisition made during financial year 2018-19**

On 29 May 2017, Medi Assist Insurance TPA Private Limited ("MAITPL" or "Buyer"), wholly owned subsidiary of the Company and Medicare Insurance TPA Services (India) Private Limited ("Seller") has entered into a Business Transfer Agreement and accordingly Seller has agreed to sell the identified assets and liabilities relating to Third Party Administrator Business in accordance with TPA regulations under Insurance Regulatory and Development Authority of India (together called as "Business") on a slump sale basis.

On 29 June 2018, Medi Assist Insurance TPA Private Limited and Medicare Insurance TPA Services (India) Private Limited has entered into a Closing Agreement and accordingly the Seller sold the Business to the Buyer for a total consideration of Rs. 113.15 million. The Company has accounted the business combination by applying the acquisition method on the date of acquisition i.e. 29 June 2018.

**Acquisition related-cost**

The group incurred acquisition related cost of Rs. 3.5 million on consultancy fees. These costs have been included in 'other expenses' in the statement of profit and loss and in 'operating cash flows' in the statement of cash flows.

**Identifiable assets acquired and liabilities assumed:**

The following table summarises the recognised amount of assets acquired and liabilities assumed at the date of acquisition:

<b>Particulars</b>	<b>Notes</b>	<b>Amount</b>
Property, plant and equipment	4	3.30
Customer contracts	7	2.30
Customer relationship	7	20.30
Other intangible assets	7	0.09
Loans receivable		1.70
Trade receivables		86.13
Cash and cash equivalents		1.71
Other current assets		70.88
<b>Fair value of assets acquired</b>		<b>186.41</b>
Provisions		(6.03)
Other financial liabilities		(71.85)
Other current liabilities		(37.79)
<b>Fair value of liabilities assumed</b>		<b>(115.67)</b>
Goodwill on consolidation	6	42.41
<b>Total consideration payable</b>		<b>113.15</b>

**Purchase consideration - cash outflow**

<b>Particulars</b>	<b>Amount</b>
Outflow of cash to acquire business, net of cash acquired	
Cash consideration	113.15
Less: Cash and cash equivalents acquired	(1.71)
<b>Net outflow of cash - investing activities</b>	<b>111.44</b>

Goodwill of Rs. 42.41 million comprises the value of expected synergies arising from acquisition and provider network of hospitals, which is not separately recognised. Goodwill recognised is expected to be deductible for income tax purpose till FY 2019-20.

The amounts of revenue and EBITDA of the acquiree since the acquisition date included in the merged statement of profit and loss for the financial year 2018-19 amounted to Rs. 114.70 million and Rs. 1.30 million respectively; and

The revenue and EBITDA of the combined entity for the current reporting period as though the acquisition date for all business combinations that occurred during the year had been as of the beginning of the annual reporting period would have been Rs. 223.76 million and Rs. 30.82 million respectively.

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**39 Reconciliation of movements of liabilities to cash flows arising from financing activities**

Particulars	As at	Non-cash changes		As at
	31 March 2020	Acquisitions	Fair value changes	31 December 2020
Non-current financial liabilities - Borrowings	1.77	-	0.14	1.92

Particulars	As at	Non-cash changes		As at
	31 March 2019	Acquisitions	Fair value changes	31 December 2019
Non-current financial liabilities - Borrowings	1.60	-	0.13	1.73

Particulars	As at	Non-cash changes		As at
	31 March 2019	Acquisitions	Fair value changes	31 March 2020
Non-current financial liabilities - Borrowings	1.60	-	0.17	1.77

Particulars	As at	Non-cash changes		As at
	31 March 2018	Acquisitions	Fair value changes	31 March 2019
Non-current financial liabilities - Borrowings	1.44	-	0.16	1.60

Particulars	As at	Non-cash changes		As at
	31 March 2017	Acquisitions	Fair value changes	31 March 2018
Non-current financial liabilities - Borrowings	1.30	-	0.13	1.44

**40 Corporate Social Responsibility ("CSR")**

As per section 135 of the Companies Act, 2013, the Group has formulated a CSR policy and has constituted a CSR committee. The area for CSR activities is livelihood enhancement and employment enhancing vocational skills by way of providing training in a wide array of functional areas to persons at various locations of the Group across India.

- a) Gross amount required to be spent by the Group during the year Rs. 11.47 million (31 December 2019: Rs.11.43 million; 31 March 2020: Rs 9.73 million; 31 March 2019: Rs 8.81 million; 31 March 2018: Rs 7.95 million)  
b) Amount spent during the year:

**For the period ended 31 December 2020**

Particulars	Amount paid	Yet to be paid	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	11.50	-	11.50
	11.50	-	11.50

**For the period ended 31 December 2019**

Particulars	Amount paid	Yet to be paid	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	11.43	-	11.43
	11.43	-	11.43

**For the year ended 31 March 2020**

Particulars	Amount paid	Yet to be paid	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	12.08	-	12.08
	12.08	-	12.08

**For the year ended 31 March 2019**

Particulars	Amount paid	Yet to be paid	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	9.46	-	9.46
	9.46	-	9.46

**For the year ended 31 March 2018**

Particulars	Amount paid	Yet to be paid	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	10.64	-	10.64
	10.64	-	10.64

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**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**
**Annexure VI - Notes to Restated Consolidated financial statements (continued)**
*(All amounts are in Indian Rupees in millions, unless otherwise stated)*
**41 Related party disclosures**

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given below:

**Names of the related parties and description of relationship**

(i). Subsidiary	Medi Assist Insurance TPA Private Limited Medybiz Services Private Limited (Merged with the Company effective 1 April 2018)
(ii). Step down subsidiary	Dedicated Healthcare Services TPA (India) Private Limited (From 28 September 2016). (Merged with MATPA effective 6 April 2018)
(iii). Entity having significant influence	Medimatter Health Management Private Limited
(iv). Key management personnel	Dr. Vikram Jit Singh Chhatwal - Director Satish V N Gidugu - Director Vishal Vijay Gupta- Director Sanjay Kalra - Independent Director Himani Atul Kapadia- Independent Director Gaurav Sharma - Nominee Director Mr. Avalur Gopalaratnam Muralikrishnan- Independent Director- resigned w.e.f 31 March 2020 Prashant Jhaveri - Whole time Director (till 30 June 2018)
(v) Entities under common control	Mandala Wellness Private Limited w.e.f 1 September 2019 Phasorz Technologies Private Limited
(vi) Entities having common director	Buddhimed Technologies Private Limited

**(a) Summary of transactions with the above related parties are as follows :**

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Consultancy fees to</b>					
Medimatter Health Management Private Limited	0.90	-	1.40	1.00	1.20
<b>Support service income from</b>					
Phasorz Technologies Private Limited	45.64	51.36	90.13	-	-
<b>Support service fee paid to</b>					
Mandala Wellness Private Limited	17.72	15.17	26.26	-	-
<b>Interest on debentures</b>					
Medimatter Health Management Private Limited	0.14	0.13	0.17	0.16	0.13
<b>Reimbursement of expenses to</b>					
Mandala Wellness Private Limited					
Health screenings	84.87	40.39	100.62	-	-
<b>Gain on transfer of property, plant and equipment</b>					
Mandala Wellness Private Limited	-	4.92	4.92	-	-
<b>Advance towards service paid to</b>					
Buddhimed Technologies Private Limited	2.00	-	-	-	-
<b>Interest income</b>					
Phasorz Technologies Private Limited	-	-	10.23	-	-
Mandala Wellness Private Limited	31.24	2.42	-	-	-
<b>Payable pursuant to demerger (including net asset transferred)</b>					
Mandala Wellness Private Limited	-	370.18	370.18	-	-
<b>Compensation of key management personnel*</b>					
i) Short term employee benefits	19.85	13.95	18.60	14.43	18.32
ii) Share based payments	-	-	-	0.79	3.04
iii) Director sitting fees	0.35	0.35	0.45	0.10	-
iv) Sub-contracting charges	3.68	4.47	-	-	-

\*As the liability for gratuity and compensated absence is provided on an actuarial basis for the Group as a whole, the amount pertaining to Director is not ascertainable and, therefore not included above.

In the opinion of the management, all transactions were made on normal commercial terms and conditions and at arm's length price.

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**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**
**Annexure VI - Notes to Restated Consolidated financial statements (continued)**
*(All amounts are in Indian Rupees in millions, unless otherwise stated)*
**41 Related party disclosures (continued)**
**(b) The Group has the following amount due from/ to related parties**

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Amount receivable towards rendering of services (included in trade receivables)</b>					
Phasorz Technologies Private Limited	5.40	-	-	-	-
<b>Unbilled receivables</b>					
Mandala Wellness Private Limited	30.00	17.71	30.00	-	-
Phasorz Technologies Private Limited	39.55	51.36	-	-	-
<b>Advance paid for services</b>					
Buddhimed Technologies Private Limited	2.00	-	-	-	-
<b>Non-convertible debentures</b>					
Medimatter Health Management Private Limited	1.92	1.73	1.77	1.60	1.44
<b>Amount payable towards rendering of services</b>					
Medimatter Health Management Private Limited	-	-	-	-	1.30
Mandala Wellness Private Limited	73.39	32.64	-	-	-
<b>Accrued expenses</b>					
Medimatter Health Management Private Limited	0.90	-	1.40	-	-
Mandala Wellness Private Limited	4.50	-	-	-	-
<b>Current Borrowings</b>					
<b>Redeemable cumulative preference shares</b>					
Medimatter Health Management Private Limited	523.00	523.00	523.00	523.00	523.00
<b>Other receivables</b>					
Mandala Wellness Private Limited	196.50	161.01	486.64	-	-
Phasorz Technologies Private Limited	-	-	90.13	-	-
<b>Other financial liabilities</b>					
Employee benefits payable	4.00	2.70	3.60	-	-
<b>Payable pursuant to demerger (including net asset transferred)</b>					
Mandala Wellness Private Limited	-	370.18	370.18	-	-

**(c) Transaction within the Group: (these transactions got eliminated in Restated Consolidated Financial Information)\***

Particulars	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Support service income from</b>					
Medi Assist Insurance TPA Private Limited	120.21	144.36	175.42	187.02	140.90
<b>Software subscription income from</b>					
Medi Assist Insurance TPA Private Limited	177.69	217.6	301.42	313.54	267.74
<b>Reimbursement of charges from</b>					
Medi Assist Insurance TPA Private Limited					
Health screenings	-	96.91	162.16	126.45	80.48
Facilities and other expenses	27.40	35.01	46.03	34.21	32.10
<b>Dividend Received</b>					
Medi Assist Insurance TPA Private Limited	-	-	190.59	-	-
<b>Corporate guarantee taken</b>					
Medi Assist Insurance TPA Private Limited	-	300.00	300.00	-	-
<b>Guarantee Expense</b>					
Medi Assist Insurance TPA Private Limited	2.73	-	0.50	-	-

\* As per Schedule VI (Para 11(I)(A)(i)(g)) of ICDR Regulations

**(d) The balances receivable from and payable within the Group: (these transactions got eliminated in Restated Consolidated Financial Information)\***

Particulars	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Amount receivable towards rendering of services (included in trade receivables)</b>					
Medi Assist Insurance TPA Private Limited	-	-	-	136.69	316.66
<b>Advance received towards services provided</b>					
Medi Assist Insurance TPA Private Limited	28.31	27.83	0.30	-	-
<b>Unbilled receivables</b>					
Medi Assist Insurance TPA Private Limited	155.92	35.31	2.94	-	-
<b>Non-current investment in subsidiaries</b>					
Medi Assist Insurance TPA Private Limited					
- Equity share	574.89	574.89	574.89	574.89	574.89
<b>Corporate guarantee taken</b>					
Medi Assist Insurance TPA Private Limited	300.00	300.00	300.00	-	-
<b>Other payables</b>					
Medi Assist Insurance TPA Private Limited	3.23	27.72	28.23	27.72	18.00

\* As per Schedule VI (Para 11(I)(A)(i)(g)) of ICDR Regulations

**42 Micro, small and medium enterprise**

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 December 2020; 31 December 2019; 31 March 2020; 31 March 2019 and 31 March 2018 has been made in the financial statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group does not have any dues to micro and small enterprises for the Financial year 31 March 2019 and 31 March 2018.

The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting periods/ year:

Particulars	As at	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting periods/ year:					
Principal	6.69	3.78	0.48	-	-
Interest	-	-	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting periods/ year.	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting periods/ year.	-	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-	-

**43** The Group had invested Rs 130.51 million in equity shares, preference shares and inter-corporate deposit of Mobiefit Technologies Private Limited ("MTPL") in various tranches. Investment in these financial assets i.e. equity shares were measured at FVOCI and investment in preference shares at FVTPL and inter-corporate deposits at amortised cost. During the financial year 2018-19, management carried out the assessment on the performance of MTPL and have accordingly made 100% impairment of the said amount.

Particulars	Disclosed under	As at	As at	As at	As at	As at
		31 December 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2018
Equity shares	Other comprehensive income	-	-	-	17.21	-
		-	-	-	17.21	-
Preference shares	Statement of profit and loss	-	-	-	68.82	-
Inter-corporate deposit	Statement of profit and loss	-	-	-	40.00	-
Interest accrued on inter-corporate deposit	Statement of profit and loss	-	-	-	4.48	-
		-	-	-	113.30	-
		-	-	-	<b>130.51</b>	-

**44** The Group does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses for the periods/ year.

**45** During the nine months period ended 31 December 2020 and the year ended 31 March 2020, the outbreak of COVID-19 in many countries has brought about disruptions to businesses around the world and uncertainty to the global economy. The Company is closely monitoring the impact of the pandemic on all aspects of it's business, including how it will impact its employees, vendors and business partners. The Company based on the information available to date, both internal and external, considered the uncertainty relating to the COVID-19 pandemic in assessing its impact. Based on the current estimates, the Company expects to fully recover the carrying amount of assets, and does not foresee any material adverse impact on its operations. As the outbreak continues to evolve, the Company will continue to closely monitor any material changes to future economic condition.

**46** In the month of July 2019 the Subsidiary Company during its internal reconciliation process review, identified certain mismatches in the cashless insurance claim settlement process, where the payments made by the Insurance Company to some of the hospitals that are part of a Government Insurance Scheme could not be reconciled and matched with the corresponding hospital records. On further investigation, it was found that two of the employees of the Subsidiary Company gained unauthorized access to the insurance company's system login and made changes to the hospital bank account details. The employees misappropriated an amount of Rs. 13.13 million includes amounts for previous years starting from 2015-16 using this unauthorized access. During the internal inquiry, both the employees confessed to misappropriating the funds, subsequently, both the employees were terminated from their services.

On informing the Insurance Company about the incident, the Insurance Company raised a demand of Rs. 13.13 million on 24 October 2019. In accordance with the terms of service agreement as a TPA the employees of Subsidiary Company do not have any access to the process of making any changes to the bank account numbers in the master database of the Insurance Company System. The Subsidiary Company agreed to deposit the entire amount with the Insurance Company so that the impacted hospitals are not deprived of funds.

The Subsidiary Company filed a complaint before the Commissioner of Police on 10 September 2019. The Police have registered the FIR and are in process of filing charge sheet. Of the aforesaid amount the Subsidiary Company has recovered an amount of Rs. 3 million till date. Further, the Subsidiary Company has formally lodged an insurance claim under the relevant Insurance policies relating to this matter and the claim is being reviewed by the Insurer.

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**47 Non-current assets held for sale**

Particulars	Notes	Amount
<b>Other intangible assets</b>		
IHX platform (Refer Note (i) below)	7	12.44
<b>Non-current Investments</b>		
<b>Compulsorily convertible cumulative preference shares at Fair Value through Profit and Loss (FVTPL):</b>		
20,048 series A preference shares of Rs. 10 each (previously upto 26 August 2020 Rs. 100 each), fully paid-up of API Holdings Private Limited (91 Streets Media Private Limited merged with its holding company w.e.f. 27 August 2020. (Refer Note (ii) below)	8(a)	112.29
4,648 series C1 preference shares of Rs. 10 each (previously upto 26 August 2020 Rs. 100 each), fully paid-up of API Holdings Private Limited (91 Streets Media Private Limited merged with its holding company w.e.f. 27 August 2020. (Refer Note (ii) below)	8(b)	26.03
<b>Total</b>		<b>150.76</b>

(i) The Board meeting held on 7 December 2020, the Board of Directors of the Company granted in-principle approval for sale of IHX platform (included under other intangible assets) and Consequently, pursuant to the requirements of Ind AS 105 - Non Current Assets held for Sale and Discontinued Operations, the Company has classified the assets as at 31 December 2020 as assets held for sale. The Management is reasonable certain the fair value less cost to sale will be higher than the carrying value of the non-current asset held for sale.

(ii) The Board meeting held on 23 December 2020, Board of Directors of the Company granted in-principle approval for sale of non-current investments of 20,048 series A preference shares and 4,648 series C1 preference shares of Rs. 10 each, fully paid-up of API Holdings Private Limited (formerly known as 91 Streets Media Private Limited which was merged with its holding company w.e.f. 27 August 2020) for a total consideration of Rs. 138.32 million and Consequently, pursuant to the requirements of Ind AS 105 - Non Current Assets held for Sale and Discontinued Operations, the Company has classified the assets as at 31 December 2020 as assets held for sale. These investments are carried at FVTPL.

**48 Events after the reporting date**

(a) On 31 January 2021 the Group has sold 20,048 series A preference shares and 4,648 series C1 preference shares of Rs. 10 each, fully paid-up of API Holdings Private Limited (formerly known as 91 Streets Media Private Limited which was merged with its holding company w.e.f. 27 August 2020) for a total consideration of Rs. 138.32 million.

(b) Further, as 30 March 2021, the Group has sold 100 equity shares and 49,99,900 compulsorily convertible preference shares (Series B CCPS) of Buddhimed Technologies Private Limited for a total sale consideration of Rs. 50 million whereas the total fair value of investment as at 31 December 2020 was Rs. 50 million, hence there is profit or loss on the above sale transaction.

(c) Pursuant to a resolution passed by the Shareholders of the Company on 15 March 2021 through extra-ordinary general meeting, the authorized share capital of the Company of Rs. 453.5 million divided into 45,200,000 Equity Shares of Rs. 10 each, 140,000 Preference Shares of Rs. 10 each and 5 Series A Compulsorily Convertible Preference Shares of Rs 20,000 each, were reclassified to Rs. 453.5 million divided into 45,350,000 Equity Shares of Rs. 10 each.

Further, pursuant to a resolution passed by the Shareholders of the Company on 07 April 2021 through extra-ordinary general meeting, the authorized share capital of the Company of Rs. 453.5 million divided into 45,350,000 Equity Shares of Rs. 10 each were sub-divided to Rs. 453.5 divided into 90,700,000 of Rs. 5 each.

(d) Pursuant to a resolution passed by Board of Directors of the Company on 5 March 2021, Company has converted 9,175 Redeemable Preference Shares into 9,175 Series B Compulsorily Convertible Preference Shares ("Series B CCPS") and then extinguished the above 9,175 Series B CCPS of Rs 10 each by issue of 1,099 Equity Shares of Rs 10 each effective 5 March 2021.

(e) Pursuant to a resolution passed by the Shareholders on 7 April 2021 and by Board of Directors of the Company on 9 April 2021 the Company has sub-divided the face value of its equity shares from Rs. 10 each to Rs. 5 each. Further, the Company has allotted 68,784,850 equity shares of face value of Rs 10 each by way of bonus issue to its shareholders and consequently the paid-up share capital of the Company has been increased to 68,859,212 equity shares of face value of Rs. 5 each.

(f) Pursuant to a resolution passed by Board of Directors of the Company on 5 March 2021, the Company has redeemed 20,000 NCD's of Rs 100 each held by Medimatter Health Management Private Limited at par value.

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached.

**for B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

for and on behalf of the Board of Directors of

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**

**Vikash Gupta**

Partner

Membership No: 064597

**Dr. Vikram Jit Singh Chhatwal**

Chairman and Whole Time Director

DIN: 01606329

**Satish V N Gidugu**

Whole Time Director and CEO

DIN: 06643677

**Mathew George**

Chief Financial Officer

**Megha Matoo**

Chief Compliance Officer and Company Secretary

ICSI Membership No: F-10665

Place: Bengaluru

Date: 8 May 2021

Place: Bengaluru

Date: 8 May 2021

Place: Bengaluru

Date: 8 May 2021

**Medi Assist Healthcare Services Limited (formerly known as Medi Assist Healthcare Services Private Limited)**
**Annexure VII - Statement of Adjustments to the Restated Consolidated Financial Information**
*(All amounts are in Indian Rupees in millions, unless otherwise stated)*

Summarised below are the restatement adjustments made to the equity of the Audited Consolidated Financial Statements of the Group for the period/ years ended 31 December 2020, 31 December 2019, 31 March 2020, 31 March 2019 and 31 March 2018 and their consequential impact on the equity of the Group:

Particulars	Notes	As at 31 December 2020	As at 31 December 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>A. Total Equity as per Audited Consolidated Financial Statements</b>		2,474.52	2,117.03	2,135.61	2,257.21	2,105.48
<b>B. Adjustments:</b>						
<b>Material restatement Adjustments:</b>						
<b>(i) Audit qualifications</b>		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
<b>(ii) Adjustments due to prior period items / other adjustments</b>						
Adjustments on account of adoption of Ind AS 116	3(a)	(7.10)	(24.05)	(5.96)	(80.67)	(55.96)
<b>Total</b>		(7.10)	(24.05)	(5.96)	(80.67)	(55.96)
<b>(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable</b>						
Deferred tax impact on restatement adjustments	3(a)	6.98	23.18	16.29	23.44	25.52
<b>Total</b>		6.98	23.18	16.29	23.44	25.52
<b>C. Total impact of adjustments (i+ii+iii)</b>		(0.12)	(0.87)	10.33	(57.23)	(30.44)
<b>D. Total equity as per Restated Consolidated Financial Information (A+C)</b>		<b>2,474.40</b>	<b>2,116.16</b>	<b>2,145.94</b>	<b>2,199.98</b>	<b>2,075.03</b>

Summarised below are the restatement adjustments made to the net profit of the audited consolidated financial statements of the Group for the period/ year ended 31 December 2020, 31 December 2019, 31 March 2020, 31 March 2019 and 31 March 2018 and their impact on the profit of the Group:

Particulars	Notes	For the period 1 April 2020 to 31 December 2020	For the period 1 April 2019 to 31 December 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>A. Net Profit after tax as per Audited Consolidated Financial Statements</b>		341.51	359.12	383.18	358.53	414.18
<b>B. Adjustments:</b>						
<b>Material restatement Adjustments:</b>						
<b>(i) Audit qualifications</b>		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
<b>(ii) Adjustments due to prior period items / other adjustments</b>						
Adjustments on account of adoption of Ind AS 116	3(a)	0.57	0.09	0.14	(24.39)	(24.14)
Adjustments on account of adoption of Ind AS 105		62.06	(11.78)	(6.69)	(5.16)	46.59
<b>Total</b>		62.63	(11.69)	(6.55)	(29.55)	22.45
<b>(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable</b>						
Current and Deferred tax impact on restatement adjustments	3(a)	(23.26)	4.57	15.08	0.76	2.14
<b>Total</b>		(23.26)	4.57	15.08	0.76	2.14
<b>C. Total impact of adjustments (i+ii+iii)</b>		39.37	(7.12)	8.53	(28.79)	24.59
<b>D. Net Profit after tax as per Restated Standalone Financial Information (A+C)</b>		<b>380.88</b>	<b>352.00</b>	<b>391.71</b>	<b>329.74</b>	<b>438.77</b>

**1. Adjustments for audit qualification: None**
**2. Material regrouping: None**
**3. Material restatement Adjustments:**
**(a) Recognition of lease liability**

A new lease standard i.e., Ind AS 116 has been notified to be effective w.e.f 1 April 2019 which provide guidelines for the accounting of the lease contracts entered in the capacity of a lessee and a lessor.

The Group has entered into various operating lease contracts in the capacity of a lessee and in lines with the accounting principals laid down in Ind AS 116, is required to make the following adjustments:-

- The Group is required to recognise a right to use asset and a corresponding lease liability in respect of all the operating leases on the transition date.
- The Group shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, incremental borrowing rate shall be substituted
- The lease payments included in the measurement of the lease liability comprise the payments for the right to use the underlying asset during the lease term that are not paid at the commencement date and includes the following:

(a) fixed payments (including in-substance fixed payments as described in paragraph B42 of Ind AS 116), less any lease incentives receivable;

(b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (as described in paragraph 28 of Ind AS 116).

- The asset recognised in lines with the provisions of Ind AS 116 is required to be depreciated as per Ind AS 16, Property, plant and equipment.

- The Group has applied 'modified retrospective approach' as mentioned in Ind AS 116 for transitional adjustments. Therefore, the cumulative effect of adopting Ind AS 116 has been recognised as an adjustment to the opening balance of retained earnings at 1 April 2017. The Group has applied the practical expedient to grandfather the definition of a lease on transition. This means that it has applied Ind AS 116 to all contracts entered into before 1 April 2017 and identified as leases in accordance with Ind AS 17.

## OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company and our subsidiary, MAITPA, as at and for the years ended March 31, 2020, March 31, 2019, and March 31, 2018, together with all the annexures, schedules and notes thereto (“**Standalone Financial Statements**”) are available at <https://www.mediassist.in/financial-reports/>. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Standalone Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Standalone Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, its Subsidiary or any entity in which it or its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any BRLMs or Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Standalone Financial Statements, or the opinions expressed therein.

The details of accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	As at and for the nine months ended 31 December 2020*	As at and for the nine months ended 31 December 2019*	As at and for the year ended 31 March 2020	As at and for the year ended 31 March 2019	As at and for the year ended 31 March 2018
<b>Basic and diluted Earnings per share from continuing and discontinued operations</b>					
Restated profit for the period/year from continuing operation after tax (A)	380.88	352.00	391.71	329.74	438.77
Restated profit for the period/year from discontinuing operations after tax (B)	(49.94)	(41.60)	(46.05)	(67.85)	(34.37)
Restated profit for the period/year from continuing and discontinuing operations after tax (C = A+B)	330.94	310.40	345.66	261.89	404.40
Weighted average number of equity shares in calculating basic EPS (D) **	66,823,864	66,823,864	66,823,864	66,823,864	66,823,864
Weighted average number of equity shares in calculating diluted EPS (E) **	67,502,422	67,396,074	67,396,074	67,287,621	67,347,930
<b>Basic earnings per share (in Rs) (F = C/D)</b>	<b>4.95</b>	<b>4.65</b>	<b>5.17</b>	<b>3.92</b>	<b>6.05</b>
<b>Diluted earnings per share (in Rs) (G = C/E)</b>	<b>4.90</b>	<b>4.61</b>	<b>5.13</b>	<b>3.89</b>	<b>6.00</b>
<b>Basic and diluted Earnings per share From continuing operation:</b>					
Restated profit for the period/year from continuing operations after tax (A)	380.88	352.00	391.71	329.74	438.77
Weighted average number of equity shares in calculating basic EPS (B) **	66,823,864	66,823,864	66,823,864	66,823,864	66,823,864
Weighted average number of equity shares in calculating diluted EPS (C) **	67,502,422	67,396,074	67,396,074	67,287,621	67,347,930
<b>Basic earnings per share (in Rs) (D = A/B)</b>	<b>5.70</b>	<b>5.27</b>	<b>5.86</b>	<b>4.93</b>	<b>6.57</b>
<b>Diluted earnings per share (in Rs) (E = A/C)</b>	<b>5.64</b>	<b>5.22</b>	<b>5.81</b>	<b>4.90</b>	<b>6.51</b>
<b>Return on Net Worth (continuing and discontinued operations)</b>					
Total Net Worth (A)	2,474.40	2,116.16	2,145.94	2,199.98	2,075.03

Particulars	As at and for the nine months ended 31 December 2020*	As at and for the nine months ended 31 December 2019*	As at and for the year ended 31 March 2020	As at and for the year ended 31 March 2019	As at and for the year ended 31 March 2018
Restated profit for the period/year from continuing operations after tax	380.88	352.00	391.71	329.74	438.77
Restated profit for the period/year from discontinuing operations after tax	(49.94)	(41.60)	(46.05)	(67.85)	(34.37)
Restated profit for the period/year from continuing and discontinuing operations after tax (B)	330.94	310.40	345.66	261.89	404.40
<b>Return on Net Worth (C = B/A) (%)</b>	<b>13.37</b>	<b>14.67</b>	<b>16.11</b>	<b>11.90</b>	<b>19.49</b>
<b>Return on Net Worth From continuing operations</b>					
Total Net Worth (A)	2,474.40	2,116.16	2,145.94	2,199.98	2,075.03
Restated profit for the period/year from continuing operations after tax (B)	380.88	352.00	391.71	329.74	438.77
<b>Return on Net Worth (C = B/A) (%)</b>	<b>15.39</b>	<b>16.63</b>	<b>18.25</b>	<b>14.99</b>	<b>21.15</b>
<b>Net Asset Value per Equity Share</b>					
Total Net Worth (A)	2,474.40	2,116.16	2,145.94	2,199.98	2,075.03
Weighted average number of equity shares in calculating basic EPS (B)**	66,823,864	66,823,864	66,823,864	66,823,864	66,823,864
<b>Net Asset Value per Equity Share (basic) (D = A/B) (in Rs)</b>	<b>37.03</b>	<b>31.67</b>	<b>32.11</b>	<b>32.92</b>	<b>31.05</b>
<b>EBITDA</b>					
	<b>791.47</b>	<b>721.75</b>	<b>935.56</b>	<b>755.13</b>	<b>860.64</b>
<b>EBITDA Margin (%)</b>					
	<b>30.74</b>	<b>29.44</b>	<b>28.32</b>	<b>26.86</b>	<b>35.63</b>

\* Figures have not been annualized

\*\*The equity shares and basic/diluted earnings per share has been presented to reflect the adjustments for conversion of redeemable preference shares, issue of bonus shares and stock split subsequent to December 31, 2020 in accordance with Ind AS 33 - Earnings per Share.

The ratios have been computed as under:

1. Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).
2. Return on Net Worth ratio: Profit after tax for the period/year from continuing and discontinuing operation from consolidated restated audited financial statement divided by the total Net Worth of the Group at the end of the year/period.
3. EBITDA: Aggregate of profit after tax from continuing operations from consolidated restated audited financial statement before tax expense, finance cost and depreciation and amortisation for the year/period.
4. "Total Net worth" means aggregate of share capital, other equity and non-controlling interest.
5. "EBITDA Margin" means EBITDA as a percentage of total income.

### Reconciliation of EBITDA and EBITDA Margin to restated consolidated profit for the periods/ years

The table below reconciles restated consolidated profit for the periods/ years to EBITDA. EBITDA is calculated as restated consolidated profit for the period/ year from continuing operations plus tax expense, finance costs, depreciation and amortisation expenses. EBITDA Margin is the percentage of EBITDA divided by total income.

Particulars	For the period April 1, 2020 to December 31, 2020	For the period April 1, 2019 to December 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Profit for the year from continuing operations after tax (A)</b>	380.88	352.00	391.71	329.74	438.77
<b>Tax expense (B)</b>	153.36	152.99	241.93	150.96	199.79
<b>Profit before tax from continuing operations (C = A+B)</b>	<b>534.24</b>	<b>504.99</b>	<b>633.64</b>	<b>480.70</b>	<b>638.56</b>
<b>Adjustments:</b>					
Add: Finance costs (D)	36.88	25.90	36.86	42.81	35.46
Add: Depreciation and amortisation expenses (E)	220.35	190.86	265.06	231.62	186.62
<b>Earnings before interest, tax expense, depreciation and amortisation expenses (EBITDA) (F= C+D+E)</b>	<b>791.47</b>	<b>721.75</b>	<b>935.56</b>	<b>755.13</b>	<b>860.64</b>
Total income (G)	2,574.44	2,451.56	3,304.07	2,811.69	2,415.79
<b>EBITDA Margin (EBITDA as a percentage of Total income) (H=F/G)</b>	<b>30.74%</b>	<b>29.44%</b>	<b>28.32%</b>	<b>26.86%</b>	<b>35.63%</b>

#### Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin to restated consolidated profit for the periods/ years

The table below reconciles restated consolidated profit for the periods/ years to Adjusted EBITDA. Adjusted EBITDA is calculated as restated consolidated profit for the period/ year from continuing operations plus tax expense, finance costs, depreciation and amortisation expenses and exceptional item. Adjusted EBITDA Margin is the percentage of Adjusted EBITDA divided by total income.

Particulars	For the period April 1, 2020 to December 31, 2020	For the period April 1, 2019 to December 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Profit for the year from continuing operations after tax (A)</b>	380.88	352.00	391.71	329.74	438.77
<b>Tax expense (B)</b>	153.36	152.99	241.93	150.96	199.79
<b>Profit before tax from continuing operations (C = A+B)</b>	<b>534.24</b>	<b>504.99</b>	<b>633.64</b>	<b>480.70</b>	<b>638.56</b>
<b>Adjustments:</b>					
Add: Finance costs (D)	36.88	25.90	36.86	42.81	35.46
Add: Depreciation and amortisation expenses (E)	220.35	190.86	265.06	231.62	186.62
<b>Earnings before interest, taxes, depreciation and amortisation expenses (EBITDA) (F= C+D+E)</b>	<b>791.47</b>	<b>721.75</b>	<b>935.56</b>	<b>755.13</b>	<b>860.64</b>
<b>Other Adjustments:</b>					
Add: Exceptional item (G)	-	-	-	113.30	-
<b>Earnings before interest, tax expense, depreciation and amortisation expenses and exceptional item (Adjusted EBITDA) (H= F+G)</b>	<b>791.47</b>	<b>721.75</b>	<b>935.56</b>	<b>868.43</b>	<b>860.64</b>

<b>Particulars</b>	<b>For the period April 1, 2020 to December 31, 2020</b>	<b>For the period April 1, 2019 to December 31, 2019</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Total income (I)	2,574.44	2,451.56	3,304.07	2,811.69	2,415.79
<b>Adjusted EBITDA Margin (Adjusted EBITDA as a percentage of Total income) (J=H/I)</b>	<b>30.74%</b>	<b>29.44%</b>	<b>28.32%</b>	<b>30.89%</b>	<b>35.63%</b>



## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at December 31, 2020, on the basis of our Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Statements*" and "*Risk Factors*" on pages 268, 193 and 26, respectively.

Particulars	Pre-Offer as at December 31, 2020	As adjusted for the proposed Offer <sup>(1)</sup>
<i>(₹ in million, except ratios)</i>		
<b>Total Borrowings #</b>		
Current Borrowings*	717.50	[●]
Non-current borrowings* (A)	-	[●]
Current maturities of long term debt* (B)	1.92	[●]
<b>Total Borrowings (C)</b>	<b>719.42</b>	<b>[●]</b>
<b>Total Net Worth</b>		<b>[●]</b>
- Equity share capital*	0.36	[●]
- Other equity*	2,452.47	[●]
- Non-controlling interests*	21.57	[●]
<b>Total Net Worth (D)</b>	<b>2,474.40</b>	<b>[●]</b>
<b>Ratio: Non-current borrowings (including current maturities of borrowings) (A+B) / Total Net Worth** (D)</b>	0.00	
<b>Ratio: Total Borrowings (C) / Total Net Worth (D)</b>	0.29	

(1) To be updated upon finalization of the Offer Price.

# Total Borrowing does not include interest accrued on borrowings

\*All terms shall carry the meaning as per Ind AS Schedule III of the Companies Act, 2013.

\*\*For the Ratio: Non-current borrowings (including current maturity)/Total Net Worth (B).

## FINANCIAL INDEBTEDNESS

Our Company and our Subsidiary avail loans in the ordinary course of business for meeting their respective working capital requirements and avail non-fund based facilities to issue bank guarantees in favour of insurance companies. As of the date of this Draft Red Herring Prospectus, our Company does not have any outstanding loans from any lender.

Pursuant to the special resolution passed by our Shareholders on March 12, 2018, our Board has been authorised to borrow any sum or sums of money for the purpose of our Company's business, which, together with the monies borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital and free reserves of our Company, provided that the aggregate of the monies borrowed by our Board and outstanding at any time shall not exceed the amount of ₹ 1,000 million or the aggregate of the paid-up share capital and free reserves of our Company, whichever is higher.

The details of the indebtedness of our Subsidiary as on April 16, 2021 is provided below.

Category of Borrowing	Sanctioned amount (in ₹ million)	Outstanding amount (in ₹ million)
<b><i>Non - Fund based borrowing</i></b>		
Bank guarantee (availed from RBL Bank Limited)	300.00	195.83
<b>Total</b>	<b>300.00</b>	<b>195.83</b>

### Principal terms of the borrowing availed by our Subsidiary

The details provided below are indicative and there may be additional terms, conditions and requirements under the borrowing arrangement entered into by our Subsidiary.

1. **Validity/Tenor:** The maximum tenor of the bank guarantee (including claim period, if any) is restricted 36 months.
2. **Security:** The security created for the bank guarantee is set forth below:
  - (a) Exclusive charge by way of hypothecation on entire current assets of our Subsidiary, both present and future; and
  - (b) Lien on the fixed deposit in favour of the lender to the extent of 10% of the bank guarantee availed by our Subsidiary.
3. **Restrictive Covenants:** The borrowing arrangement entail various restrictive covenants and conditions restricting certain corporate actions, and our Subsidiary is required to take the lender's prior written consent before carrying out such actions, including but not limited to, for:
  - (a) any creation of charge, mortgage, pledge, hypothecation, lien or other encumbrance over the hypothecated assets in favour of any person other than the lender;
  - (b) any change in the control of our Subsidiary;
  - (c) any change or alteration in the Memorandum of Association or Articles of Association in such a manner that will affect lender's right under the borrowing arrangement;
  - (d) any change in the constitution of our Subsidiary from private limited company;
  - (e) any change in the business or declaration or payment of any dividends on any of the equity/preference shares of our Subsidiary;
  - (f) any reorganisation, amalgamation, reconstruction, takeover or any other schemes of compromise or arrangement; and
  - (g) if Dr. Vikram Jit Singh Chhatwal ceases to hold any managerial position in both our Company and our Subsidiary.

4. **Events of Default:** In terms of borrowing arrangement for the facility availed by our Subsidiary, the occurrence of any of the following, among others, constitute an event of default;
- (a) non-payment or defaults of any amounts including the principal, interest or other charges upon demand;
  - (b) breach of any representation, warranty, declaration, covenant or undertaking furnished by our Subsidiary under the loan documentation;

Please note that the abovementioned list is indicative and there may be additional terms that may amount to an event of default under the borrowing arrangement entered into by our Subsidiary.

5. **Consequences of occurrence of events of default:** In terms of the borrowing arrangement for the facility availed by our Subsidiary, upon the occurrence of events of default, the security created in favour of the lender pursuant to the security documents, becomes enforceable.
6. **Penal Interest:** The lender shall charge an additional penal interest at the rate of 2% per annum on occurrence of the following events:
- (a) non- submission of financials and other data as may be called for within 30 days;
  - (b) non-perfection of security within permitted timelines;
  - (c) irregularities/overdrawings in the account; and
  - (d) other non-compliances, if not regularised within 30 days of notice issued by the lender.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our Company's restated consolidated financial information as of and for the nine months ended December 31, 2020 and December 31, 2019, as well as the financial years ended March 31, 2020, 2019 and 2018, including the related notes, schedules and annexures. The Restated Financial Information has been derived from (i) our audited financial statements as of and for the nine months ended December 31, 2020 and December 31, 2019, prepared in accordance with Ind AS 34, and (ii) our audited consolidated financial statements as of and for the financial years ended March 31, 2020, 2019 and 2018, prepared in accordance with Ind AS, in each case, together with the annexures and notes thereto, and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI. Ind AS differs in certain material respects from IFRS and US GAAP. See "Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition" on page 48.*

*Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year.*

*We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, many of which may not be derived from our Restated Financial Statements or otherwise be subject to an examination, audit or review by our auditors or any other expert. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. For the purposes of this section, for certain analyses we have used historical methodologies and internal categorizations to enable a consistent representation of our business. For example, "private health insurance" includes retail and group health insurance and excludes Government and public health schemes. Such information may vary from similar information publicly disclosed by us in compliance with applicable regulations in India. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*The industry-related information contained in this section is derived from the F&S Report. We commissioned and paid for the F&S Report for the purposes of confirming our understanding of the industry in connection with the Offer. None of our Company, Selling Shareholders, BRLMs or any other person connected with the Offer, have independently verified the information in the F&S Report or other publicly available information cited in this Draft Red Herring Prospectus.*

*This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-looking Statements" and "Risk Factors" on pages 19 and 26, respectively. In this section, unless the context means otherwise, the term revenue refers to our Total Income for the relevant year.*

### OVERVIEW

We are a technology-led company that plays a crucial role in the health insurance ecosystem. We are India's largest health benefits administrator in terms of revenues and premium serviced for health insurance policies for the financial years 2018, 2019 and 2020. (Source: F&S Report) While under the TPA Regulations, our primary clients are insurance companies, we serve as an intermediary between (a) general and health insurance companies and the insured members (under retail, corporate and insurance backed public health insurance policies), (b) insurance companies and healthcare providers (such as hospitals), and (c) the Government and beneficiaries of public health schemes. We managed ₹ 78,295 million of health insurance premiums for the financial year 2020, and also had market shares of 17% of the private health insurance market and of 29% of the private health insurance market serviced by health benefits administrators in India, based on premium under management for the financial year 2020. (Source: F&S Report)

Our technology-driven infrastructure and services are custom-built and are integral to the operations of insurance companies, hospitals, insurance brokers and insurance agents. Our technology infrastructure is scalable, customized, comprehensive, easy to use and secure. Our services benefit the members of the health insurance ecosystem and we offer:

- Insurance companies: Seamless exchange of insured member and claims information, claims processing, fraud detection, management of cashless healthcare provider network, enabling final payout to the insured members and hospitals and data analytics, among others.
- Corporate accounts and employees: Policy enrolment, beneficiary data management, administration of flexi-benefits, pre-authorization to avail policy benefits, customized integration with the corporate intranets, scheduling appointments, submission and reimbursement of claims and cashless claim settlement, among others.
- Individual policy holders: Management of insurance coverage and other benefits, pre-authorization to avail policy benefits, schedule appointments, submission and reimbursement of claims, cashless claim settlement, among others.
- Healthcare providers: Submission and processing of pre-authorization requests, claims submission and tracking, dashboards across claims, payment reconciliation and tracking, among others.
- Insurance brokers: Dashboards, insights and other information for relevant corporate accounts, subject to approval of the corporate accounts and insurance companies, among others.
- Insurance agents: Online tracking of their customers – enrolment, e-card downloads, claims submission and status, and renewal of policies, among others.

We are the largest health benefits administrator in India for corporates in terms of premium serviced for the financial years 2018, 2019 and 2020. We serviced over 7,800 corporate accounts across sectors to help administer the insurance requirements of their employees, and as of March 31, 2020, we managed ₹ 62,439 million of corporate premium, representing 24% of the overall corporate health insurance market in India and 36% of the corporate health insurance market serviced by health benefits administrators. (*Source: F&S Report*) For the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, our revenues attributable to our corporate accounts portfolio were 66%, 63%, 61% and 65% of our revenue from operations, respectively.

We also service individual insurance policyholders and as of March 31, 2020, we managed ₹ 15,857 million of premium for the financial year 2020, representing 8% of the overall retail health insurance market in India and 17% of the individual health insurance market serviced by health benefits administrators. (*Source: F&S Report*) For the financial years 2018, 2019, 2020 and the nine months ended December 31, 2020, our revenues attributable to our retail portfolio were 14%, 19%, 17% and 16% of our revenue from operations, respectively.

Over the years, we have developed a pan-India healthcare provider network, which comprises over 11,000 hospitals across 722 cities and towns, as of March 31, 2020. During the financial year 2020, we helped settle 3.77 million claims worth ₹ 78,993 million, comprising in-patient claims worth ₹ 75,605 million and domiciliary or out-patient claims worth ₹ 3,388 million. Due to the size and scale of our operations and our contracting capabilities, we are able to negotiate discounted rates with hospitals for the benefit of insurance companies and insured members.

## **Significant Factors Affecting Our Results of Operations**

### ***Macroeconomic Conditions in India***

#### *Impact of macroeconomic growth on employment numbers and health coverage*

The Indian healthcare insurance market is witnessing high growth that is attributed to various factors such as growing economy, rising per capita income, awareness among the Indian population and need for insurance in India. India's gross domestic product is expected to reach USD 3.9 trillion by financial year 2025, on the back of digitisation, globalisation, favourable demographics, and reforms. India is also expected to be the third largest consumer economy in terms of consumption. Such economic growth is likely to manifest in the expansion of the private sector in particular, which is likely to become more competitive given the liberalization and opening up of the economy. In turn, corporates in the private sector are likely to hire more employees, in line with the growth of their businesses. (*Source: F&S Report*)

In addition to potential increases in their employee headcounts, the size of cover and health benefits provided by

corporates is also likely to increase. This is likely to lead to an increase in the premiums paid per policy. Coupled with the projected increases in employee headcount, corporates are likely to introduce more health plans with wider coverage for their employees. As the coverage provided by retail policies might be inadequate, corporates are expected to introduce self-funded health benefits plans for their employees. In addition, leading third party administrators in India have started offering services such as corporate wellness management, industrial occupational health management and other multiple health benefit services. For insurers, it is an opportunity to partner with corporates to provide health and wellness benefits to its employees. This is likely to increase their employees' health quotient and improve their ability to combat illnesses. This will help in reducing the total number of claims raised to the insurers and aid in the corporates' profitability. (Source: F&S Report)

Only 10% of India's population is covered under a health insurance policy (excluding public schemes). This number is expected to increase to 17% by financial year 2025, driven by increased employment by corporates, higher awareness of the need for insurance and better distribution. (Source: F&S Report)

### *Demographics*

As the population of India ages, there will be a higher incidence of claims, leading to a rise in premiums. With a greater number of diagnoses of chronic diseases, age-related health complications and degeneration in India, this has led to an increase in demand for health and medical insurance across emerging geographies. (Source: F&S Report)

### *Impact of increased consumer income on propensity to purchase health insurance*

India's GDP per capita income increased at a CAGR of 2% from 2016 to 2020, and is expected to further grow at a CAGR of 8% from 2020 to 2025, reaching USD 2,729 in 2025. This suggests that standards of living in India are increasing, and purchasing power and affordability may increase as well. In particular, India's new middle class population grew from 304.2 million in financial year 2005 to 604.3 million in financial year 2012, with 158 million Indians in the middle-middle and upper middle-class category, which has doubled during the period. As for healthcare expenditure, between 2013 and 2018, the per capita income grew at a CAGR of 7% while the per capita expenditure on healthcare grew at a CAGR of 5%. (Source: F&S Report)

There has been growth in consumerism with the rise in informed and quality spending on goods and services. Correspondingly, there is a growing demand for retail health insurance benefits with maximum coverage at a reasonable cost. India's retail portfolio is not adequately covered by existing health insurance policies. Only 10% of the total population in India is covered by health insurance (excluding public schemes), which results in higher out-of-pocket expenditure for the majority of the population. Also, as India's outpatient insurance coverage is relatively small, health insurance policies that include out-patient coverage are gaining traction amongst retail customers. Preventative health management and early diagnosis of disease are also increasing in importance. This could result in future growth in premium and penetration. (Source: F&S Report)

The retail portfolio may also witness growth driven by healthcare consumers who, though ineligible for group insurance coverage, have increased awareness and need for additional / supplementary benefits to top up their current coverage. This growth is evident in the total lives covered by the retail sector, which stands at 43 million and the amount of premium per life at ₹ 4,641 in 2019-20. (Source: F&S Report)

### ***Relationship with Insurance Companies***

#### *Fees charged*

In general, the total fees charged from insurance companies depends on the number of lives covered, as well as the premium per life. In the Indian healthcare insurance market, the fee per life covered that TPAs charge from insurance companies tends to be higher for the retail portfolio, as compared to the corporate account portfolio. The fees we are able to negotiate under our fee arrangements with insurance companies also depends on a number of other factors, such as the market pricing environment, healthcare cost inflation, quality of contracts with healthcare providers and the range and quality of services provided.

However, we are dependent on a limited number of insurance companies for a significant portion of our revenues. Our reliance on a select group of insurance companies may constrain our ability to negotiate our fee arrangements.

### *Longstanding relationships with several insurance companies*

While we interact with a large number of participants in the health insurance ecosystem, we generate revenues predominantly from the health and other general insurance companies. Over the years, we have leveraged our domain expertise of the Indian health insurance ecosystem to establish, build trust and strengthen our longstanding relationships with these insurance companies. As of December 31, 2020, the average term of our relationship with our four public sector insurance companies was 18 years and with twenty-two private sector insurance companies was nine years. As of December 31, 2020, we provided health benefits administration services to 26 of the 32 general insurance companies, six life insurance companies and one overseas insurance company.

Our contractual arrangements with insurance companies are usually for a term of one to five years, which may be renewed at the sole discretion of insurance companies. For certain contracts, insurance companies have the right to unilaterally terminate their contractual arrangements with us without cause by providing a prior notice as specified in the agreement.

### ***Attractive Contracts with Healthcare Providers***

We have been able to enter into discounted rates and preferential packages with hospitals on account of our market leading position, technology platforms and large volume of claims administered. Such arrangements benefit the insurers and the insured by controlling medical cost inflation. Our cashless claims payout inflation between financial years 2018 and 2020 grew at a CAGR of 4% as compared to the overall medical inflation in India that grew at a CAGR of 9%. (*Source: F&S Report*) We believe that as a result of our favourable network pricing and tariffs, private insurance companies have opted for our network contracts, even in cases where they may have pre-existing arrangements with such hospitals. 21 general and health insurance companies avail of our contracted rates across our provider network, out of which 13 general and health insurance companies exclusively use our network.

### ***Effective Use of Technology***

Our use of technology helps insurance companies obtain faster and more accurate processing, detect more fraudulent cases, lower medical cost inflation and gain better insights for product design and pricing. Our technology also assists hospitals with faster collections, revenue reconciliation, forecasting and better utilization of their capacity.

We use technology to continuously improve our operational efficiencies, such as by leveraging our domain expertise and scale. For example, our technology platforms have enabled us to steadily increase our volume of transactions and lives managed without having to correspondingly increase our employee base, thus optimizing operating expenses and driving profitability in the past few years.

The size and complexity of our technology offerings may make them potentially vulnerable to breakdowns. Many of our services are provided through the internet, which increases our exposure to data breaches and potential cybersecurity attacks, including viruses, ransomware and spam attacks. In addition, as our information technology and other systems interface with and depend on third-party systems, we may experience service denials if demand for such service exceeds capacity or a third-party system fails or experiences an interruption. Although we have not experienced any significant breakdowns in our information technology infrastructure in the past, we encounter load balance issues on a regular basis that are managed and addressed through deployment of multiple server redundancies.

### ***Current COVID-19 Pandemic***

The COVID-19 pandemic has had a mixed impact on the Indian health insurance market. For the corporate portfolio, there was a slowdown due to companies having reduced hiring and outlay for benefits.

That said, the pandemic has also presented an opportunity for the insurers to engage with corporates for health and wellness benefits to its employees so as to increase their health quotient and improve the ability to combat any type of illnesses.

As for the retail portfolio, there was a sharp uptick due to COVID-19 policies and a higher awareness of the need for adequate health insurance. The COVID-19 pandemic has prompted health insurers to launch new innovative products for its customers which are mostly short term, carrying fixed benefits and covering a fixed amount in excess of the hospitalisation schemes. Despite the economic downturn in the financial year 2021, as a result of COVID-19, gross domestic premium income during the nine months ended December 31, 2020 grew by 15%

over the corresponding period last year. (Source: F&S Report)

Due to increased hospitalisations from COVID-19 related illnesses and comorbidities, the total number of claims raised is expected to increase. Also, studies have shown that COVID-19 may affect those with comorbidities like hypertension, diabetes, renal and other chronic diseases. Prolonging of these comorbidities is expected to increase the probability of claims for an extended period of time. This is expected to increase the claims ratio for health insurers and resultant losses due to increased number of claims. This will also result in increase in premium prices in near future. (Source: F&S Report)

As for our operations, we transitioned to working from home for a significant portion of the time during the COVID-19 pandemic. Our technology infrastructure enabled us to function efficiently during the COVID-19 related lockdown, and we processed 106,379 COVID-19 claims and transitioned over ₹ 6,167 million of new premiums under management for the nine month period December 31, 2020. See, however, “**Risk Factors – 8. The extent to which the coronavirus disease may affect our business and operations in the future is uncertain and cannot be predicted**” on page 29.

#### ***Demerger of Consumer Health Business and Discontinued Operation of the Card Processing Business***

With effect from September 1, 2019, our consumer health business demerged into M/s. Mandala Wellness Private Limited. This was pursuant to a scheme of arrangement, duly sanctioned by the National Company Law Tribunal vide Order dated November 4, 2020.

Our Board of Directors, vide resolution dated December 30, 2020, approved the discontinuation of our business pertaining to card processing. The card processing business mainly generated its income from government contracts. Accordingly, we have disclosed the discontinuation of card processing business as discontinued operations as per the requirements of Ind AS 105 “*Non current asset held for sale and Discontinued operation*”.

## **SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Accounting and Preparation**

#### **Statement of compliance**

Our restated consolidated balance sheet as at December 31, 2020, December 31, 2019, March 31, 2020, March 31, 2019 and March 31, 2018 and our restated consolidated statement of profit and loss (including other comprehensive income), our restated consolidated statement of changes in equity and our restated consolidated statement of cash flows for the periods/years ended December 31, 2020, December 31, 2019, March 31, 2020, March 31, 2019 and March 31, 2018, and other restated consolidated financial information have been prepared under Ind AS under Section 133 of the Companies Act, 2013 and other relevant provisions as amended from time to time.

These Restated Financial Information have been prepared as a going concern on the basis of relevant Ind AS that is effective as at December 31, 2020. These Restated Financial Information have been approved by the Board of Directors on May 8, 2021.

The Restated Financial Information has been prepared for inclusion in this Draft Red Herring Prospectus in accordance with the requirements of:

- (i) Section 26 of Chapter III of the Companies Act, 2013;
- (ii) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by SEBI on 11 September 2018 in pursuance of the Securities and Exchange Board of India Act, 1992; and
- (iii) Guidance Note on Reports in our Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India.

The Restated Financial Information has been extracted from the audited consolidated financial statements for respective periods/years, and



- (a) there were no changes in accounting policies during the periods/years of these financial statements except for the new and amended Ind AS-116 “Leases” the new and amended Ind AS-115 “Revenue from contract with customers”;
- (b) there were no material amounts which have been adjusted for in arriving at profit/loss of the respective periods/years; and
- (c) there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per our audited financial statements as at and for the nine months period ended December 31, 2020 and the requirements of the SEBI Regulations.

We have given adjustments for lease accounting in accordance with Ind AS 116 which came into effect on April 1, 2019 using modified retrospective approach and all the related figures have been reclassified / regrouped to give effect to the requirements of Ind AS 116, see Schedule VII – “*Statement of Adjustments to the Restated Financial Information*”.

### Functional and presentation currency

These Restated Financial Information are presented in Indian Rupees, which are our functional currency. All amounts have been rounded to the nearest million, up to two places of decimal, unless otherwise stated.

### Basis of Measurement

Our Restated Financial Information has been prepared under the historical cost basis, except for the following:

Items	Measurement basis
Financial assets and liabilities (including derivatives instruments)	Fair value
Share based payment at grant date	Fair value
Defined benefit and other long-term employee benefits obligations	Present value of defined benefit obligations

### Use of Estimates and Judgements

In preparing our Restated Financial Information, we have made estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the periods/years. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the periods/years in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgement, estimates and assumptions are required in particular for:

- (a) *Determination of the estimated useful lives*

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, these are estimated by management taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers’ warranties and maintenance support.

- (b) *Recognition of deferred tax assets*

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that

it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

(c) *Recognition and measurement of defined benefit obligations*

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

(d) *Fair valuation of employee share options*

The fair valuation of the employee share options is based on the Black-Scholes Model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under option pricing model.

(e) *Impairment testing*

Property, plant and equipment, goodwill, intangible assets and other assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions, which include turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

(f) *Business combination*

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates), liabilities acquired and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

(g) *Leases*

We evaluate if an arrangement qualifies to be a lease based on the requirements of the relevant standard. Identification of a lease requires significant management judgment. Computation of the lease liabilities and right-to-use assets requires management to estimate the lease term (including anticipated renewals) and the applicable discount rate. We estimate the lease term based on past practices and reasonably estimated / anticipated future events. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristic.

(h) *Expected credit losses on financial assets*

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. We use judgment in making these assumptions and selecting the inputs to the impairment calculation, based on our past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting periods/years.

### **Measurement of Fair Values**

Our accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. We have an established control framework with respect to the measurement of fair values. We regularly review significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then we assess the evidence obtained

from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, we use observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

We recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the notes relating to employee stock option scheme and financial instruments.

### **Current and Non-Current Classification**

We present assets and liabilities in the restated consolidated balance sheet based on their current/non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, our normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in our normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- we do not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include current portion of non-current financial assets/ liabilities respectively.

All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

### **Operating cycle**

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, we have ascertained our operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

## **Basis of Consolidation**

### **Our Subsidiary**

We determine the basis of control in line with the requirements of Ind AS 110, Consolidated Financial Statements. Our Subsidiary, Medicare Insurance TPA Services (India) Private Limited, is controlled by us. We control an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to us. They are deconsolidated from the date that control ceases.

We combine the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expense. Intercompany transactions, balances and unrealized gains on transactions between group entities are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of transferred asset. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted.

Non-controlling interests in the results and equity of subsidiary are shown separately in the restated consolidated balance sheet, restated consolidated statement of profit and loss and restated consolidated statement of changes in equity respectively. Also, the employee stock option reserve of our Subsidiary represents the ESOPs granted to our employees not forming part of our Company are classified and presented as NCI.

All intra-group balances, transactions, income and expenses are eliminated in full on consolidation.

The accounting policies of our Subsidiary are changed when necessary to align them with the policies adopted by us.

## **Financial Instruments**

### *Recognition and initial measurement*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Financial assets and financial liabilities are recognized when we become a party to the contractual provisions of the instruments.

A financial asset (except for trade receivables and contract assets) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized in our restated consolidated statement of profit and loss.

Finance expenses consist of interest expense on loans and borrowings and financial liabilities. The costs of these are recognized in our restated consolidated statement of profit and loss using the effective interest method.

### *Financial assets*

We classify financial assets as measured at amortized cost, fair value through other comprehensive income ("FVOCI") or FVTPL on the basis of following:

- a. the entity's business model for managing the financial assets; and

- b. the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their initial recognition, except if, and in the period, we change our business model for managing financial assets.

#### *Amortized cost*

A financial asset is classified and measured at amortized cost if both of the following conditions are met:

- a. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b. 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.

#### *FVOCI*

A financial asset is classified and measured at FVOCI if both of the following conditions are met:

- a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- b. 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.

On initial recognition of an equity investment that is not held for trading, we may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

#### *FVTPL*

A financial asset is classified and measured at FVTPL unless it is measured at amortized cost or at FVOCI. This includes all derivative financial assets. On initial recognition, we may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### **Financial Assets: Business Model Assessment**

We make an assessment of the objective of the business model in which a financial asset is held at investment level because this reflects the best way the business is managed and information is provided to our management. The information considered includes:

- the stated policies and objectives for each of such investments and the operation of those policies in practice.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with our continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

#### **Financial Assets: Assessment whether Contractual Cash Flows are solely Payments of Principal and Interest**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, we consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, we consider:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit our claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

### Financial Assets: Subsequent Measurement and Gains and Losses

Particulars	Description
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in our restated consolidated statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in our restated consolidated statement of profit and loss. Any gain or loss on derecognition is recognised in our restated consolidated statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to our restated consolidated statement of profit and loss.

### Financial Liabilities: Classification, Subsequent Measurement and Gains and Losses

Financial liabilities are classified as measured at amortised cost or at FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in our restated consolidated statement of profit and loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in our restated consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in our restated consolidated statement of profit and loss.

### Derecognition

#### Financial assets

We derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which we neither transfer nor retain substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

#### Financial liabilities

We derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire. We also derecognise a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair

value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in restated consolidated statement of profit and loss.

### **Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, we currently have a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### **Foreign currency transactions and balances**

Transactions in foreign currencies are translated into our respective functional currencies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the restated consolidated statement of profit and loss.

### **Cash and cash equivalents**

Cash and cash equivalents in the restated consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the restated consolidated statement of cash flows, cash and cash equivalents consist of cash excluding restricted cash balance and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of our cash management.

### **Cash flow statement**

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of us are segregated.

### **Earnings per share**

The basic earnings per share is computed by dividing the net profit / (loss) after tax for the years attributable to equity shareholders by the weighted average number of equity shares outstanding during the years.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earnings per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

The basic earnings per share is calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, stock splits other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:

- a. The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares; and

- b. The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### **Revenue Recognition**

Revenue is recognized upon transferring control of promised services to customers in an amount that reflects that consideration we expect to receive in exchange for those services.

We derive revenue from rendering TPA services which are measured either as a percentage of insurance premium or amount per member / family covered under the policy, depending on the terms of the contract entered into with insurance companies and government agencies. Such amounts are recognized as revenue on a pro-rata basis during the period of the underlying insurance policy Performance obligations while rendering services are satisfied over time as and when the services are rendered, since the customer simultaneously receives and consumes the benefits provided by us.

We derive revenue from rendering healthcare management services in accordance with the terms of the relevant service agreement entered with customers and revenue is recognised at point in time as and when the related services are rendered.

We also derive revenue from rendering business support services in accordance with the terms of the relevant service agreement entered with customers. Being performance obligations, they are satisfied over the contract period, as the Group's efforts or inputs are expanded evenly throughout the contract period.

Revenue from card processing income is recognised at the point in time as and when the related services are rendered. Revenue from licenses where customers obtain the "right to access" is recognized over the access period on a straight-line basis.

We present revenues net of indirect taxes in our restated consolidated statement of profit and loss.

Revenue in excess of invoicing is classified as unbilled receivables where the related performance obligation is rendered and the right to consideration is unconditional. Invoicing in excess of revenues are classified as contract liabilities.

Contract liability is the obligation to transfer goods or services to a customer for which we have received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before we transfer goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when we perform under the contract.

### **Interest and dividend income**

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets. Interest income is recognized as it accrues in our restated consolidated statement of profit and loss, using the effective interest method.

Dividend income is recognized in our restated consolidated statement of profit and loss on the date that our right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to us, and the amount of dividend can be measured reliably.

### **Property, Plant and Equipment**

#### **Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.



- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in restated consolidated statement of profit and loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to us.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

### Depreciation

Depreciation on property, plant and equipment is provided on straight line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013. We estimate the useful lives for property, plant and equipment as follows:

Asset categories	Useful life in years
Furniture and fixtures	10
Air conditioners	10
Computer equipment - end user devices	3
Motor car	10
Computer equipment - servers and network	6
Electrical equipment	10
Office equipment	5

Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use and the depreciation charge for the period/year is recognized in our restated consolidated statement of profit and loss.

Leasehold improvements are depreciated over the lease term of three to six years or the useful lives of the assets, whichever is lower.

### Intangible Assets

#### Acquired intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to us and the cost of the asset can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any.

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 required to obtain the expected future cash flows from the asset.

#### Internally generated intangible assets

Expenditure on research activities, undertaken with prospect of gaining new scientific or technical knowledge and understanding, is recognised in our restated consolidated statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and we intend to and

have sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in our restated consolidated statement of profit and loss as incurred.

### **Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in restated consolidated statement of profit and loss as incurred.

### **Amortisation**

Amortisation is calculated based on the cost of the asset, less its residual value. Amortisation is recognised in the restated consolidated statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Management believes that period of amortisation is representative of the period over which we expect to derive economic benefits from the use of the assets.

Amortisation methods and useful lives are reviewed periodically including at each financial years end. Amortisation on additions and disposals during the years is provided on proportionate basis. Goodwill is measured at cost less accumulated impairment loss.

<b>Asset categories</b>	<b>Useful life in years</b>
Software and licenses	3
Customer contracts	10
Customer relationship	8

### **Impairment of Financial Assets**

In accordance with Ind AS 109, we apply the expected credit loss model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets which are measured at amortized cost e.g., loans, deposits and bank balance.
- b) Trade receivables or unbilled receivables or another financial asset that result from transactions that are within the scope of Ind AS 115.

Loss allowances for trade receivables or unbilled receivables is measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account risk profiling of customers and historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss. In addition, we have also considered credit reports and other credit information for our customers to estimate the probability of default in future and have taken into account estimates of possible effect from the pandemic relating to COVID-19. We believe that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled receivables and other financial assets is adequate.

### **Write-off**

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when we determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with our procedures for the recovery of amount due.

### **Impairment of Non-Financial Assets**

Goodwill that have infinite useful life are not subjected to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

We assess long-lived assets such as property, plant, equipment and acquired / self-generated intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, we estimate the recoverable amount of the asset or group of assets. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (“FVLCD”) and its value-in-use (“VIU”). The VIU of long-lived assets is calculated using projected future cash flows. The FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in our restated consolidated statement of profit and loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially. An impairment loss recognized for goodwill is not reversed in subsequent periods.

## Leases

At inception of a contract, we assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Our Leases

Our lease asset class primarily consist of leases for buildings. We, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, we assess whether:

- (i) the contract involves the use of an identified asset;
- (ii) we have the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- (iii) we have the right to direct the use of the asset.

We recognise a right-of-use asset and a lease liability at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

We measure the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, we use incremental borrowing rate. For leases with reasonably similar characteristics, we, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where we are reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. We recognise the amount of the remeasurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is

reduced to zero and there is a further reduction in the measurement of the lease liability, we recognise any remaining amount of the re-measurement in our restated consolidated statement of profit and loss.

We have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. We recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by us and not by the respective lessors.

#### *Critical judgements in determining the lease term*

In determining the lease term, our management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of office, the following factors are normally the most relevant:

- (a) If there are significant penalties to terminate (or not extend), we are typically reasonably certain to extend (or not terminate).
- (b) If any leasehold improvements are expected to have a significant remaining value, we are typically reasonably certain to extend (or not terminate).
- (c) Otherwise, we consider other factors including historical lease durations and the costs and business disruption required to replace the leased asset. Most extension options in offices leases have not been included in the lease liability, because we could replace the assets without significant cost or business disruption.

### **Employee Benefits**

#### **Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits expected to be paid in exchange for employee services is recognized as an expense for the related service rendered by employees.

#### **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. We make specified monthly contributions towards employee provident fund and employees state insurance to a Government administered scheme which is a defined contribution plan. Our contribution is recognized as an expense in our restated consolidated statement of profit and loss during the period in which the employee renders the related service.

#### **Defined benefit plans**

Our gratuity benefit scheme is a defined benefit plan. Our net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such benefit plan is determined by independent qualified actuary using the Projected Unit Credit Method which recognizes each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government securities as at the balance sheet dates. We classify the gratuity as current and non-current based on the actuarial valuation report.

Actuarial gains or losses are recognised in Other Comprehensive Income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in our restated consolidated statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through OCI.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to our restated consolidated statement of profit and loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in our restated consolidated statement of profit and loss as past service cost.

We have considered only such changes in legislation which have been enacted up to the balance sheet date for the purpose of determining defined benefit obligation.

### **Compensated absences**

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods. We record an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured by independent qualified actuary using the Projected Unit Credit Method.

### **Share-based compensation**

The expenses relating to share-based payments in our restated consolidated statement of profit and loss are determined using fair value in accordance with Ind AS 102, Share-Based Payment. The employee stock options granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognized in the restated consolidated statement of profit and loss with a corresponding increase to the employee stock option plan reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation).

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Employee stock option reserve of share option granted by us is classified as non-controlling interest in our restated consolidated statements of changes in equity.

### **Business combination**

In accordance with Ind AS 103, Business combinations, we account for business combinations after acquisition date using the acquisition method when control is transferred to us. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration and deferred consideration, if any. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

We account for the common control transactions in accordance with the 'pooling of interest' method prescribed under Ind AS 103 - Business Combination for common control transactions and as per the provisions of respective

schemes approved by the regulators, where all the assets and liabilities of transferor companies would be recorded at the book value as at the Appointed date.

## **Taxation**

Income tax comprises current and deferred tax. Income tax expense is recognised in the restated consolidated statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in OCI.

### **Current income tax**

Current tax comprises the expected tax payable or receivable on the taxable income for the years and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting dates. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the assets and settle the liability on a net basis or simultaneously.

### **Deferred tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction
- temporary differences related to investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, we recognize a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets recognized or unrecognized are reviewed at each reporting date and are recognized /reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which we expect, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

### **Non-current Assets Held for Sale and Discontinued Operations**

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in restated consolidated statement of profit and loss.

Non-current assets classified as held for sale are presented separately from the other assets in the restated consolidated balance sheet. The liabilities classified as held for sale are presented separately from other liabilities in the restated consolidated balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the restated consolidated statement of profit and loss.

The post-tax profit or loss of discontinued operations and the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets constituting the discontinued operation shall be disclosed separately as a single amount in the restated consolidated statement of profit and loss.

An analysis of the single amount into the revenue, expenses and pre-tax profit or loss of discontinued operations, the related income tax expense as required by Ind AS 12 and the gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets constituting the discontinued operation along with the related income tax expense thereon as required by Ind AS 12 may be presented in the notes or in the restated consolidated statement of profit and loss.

### **Provisions (other than for Employee Benefits) and Contingent Liabilities**

Provisions are recognized when there is 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 expenses relating to a provision is presented in the restated consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, we recognise any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in our financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each closing date.

### **Corporate Social Responsibility expenditure**

The Corporate Social Responsibility expenditure incurred by us and its associate is charged to the restated consolidated statement of profit and loss.

### **Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Our Board of Directors has been identified as the chief operating decision-maker by our management.

In relation to Ind AS 108 “Operating Segment”, our chief operating decision-maker has reviewed our activities as one single primary segment, i.e. that we are engaged in the business of health benefits administration and health management services.

## **Cash Dividend**

We recognise a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of us. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders (in the case of interim dividend it is approved by Board of Director. A corresponding amount is recognised directly in equity.

## **INCOME AND EXPENSES**

Our income and expenditure is reported in the following manner:

### **Income**

Our total income comprises revenue from operations and other income.

*Revenue from Operations.* Our revenue from operations comprises of TPA fees payable from insurance companies; income from healthcare services; income from facilitating pre-policy checkup services; income from project resource management; and business support services.

*Other Income.* Our other income comprises of the following: (i) net gain on financial assets measured at fair value through profit and loss; (ii) profit on sale of investment in mutual funds; (iii) interest on inter corporate deposits; (iv) dividend income; (v) interest on term deposits and loans; (vi) interest income on financial assets at amortised cost; (vii) interest on income tax refund; (viii) liabilities/provision no longer payable written back; (ix) interest income on other services; (x) sub-lease rentals from office facilities; (xi) profit on sale of property, plant and equipment; (xii) profit on sale of investment; (xiii) gain on transfer of property, plant and equipment and (xiv) other miscellaneous income.

### **Expenses**

Our expenses comprise of employee benefits expenses, finance costs, depreciation and other expenses.

*Employee benefits expenses.* Employee benefits expenses includes salaries, bonuses and allowances; contribution to provident and other funds; employee stock option expenses; and staff welfare expenses.

*Finance costs.* Finance costs comprises interest on lease liabilities; bank guarantee commission; interest on debentures, overdraft facility and on others.

*Depreciation and amortisation.* Depreciation and amortisation costs comprises depreciation on plant, property and equipment and right-of-use assets and amortisation of intangible assets.

*Other expenses.* Other expenses primarily comprises of: sub-contracting expenses, legal and professional expenses, printing and stationery expenses, postage and communication expenses, repair and maintenance expenses, and claims disallowed expenses. Other expenses also includes a variety of other types of expenses such as net loss on financial assets measured at fair value through profit or loss, enrolment card expenses, rent, travelling and conveyance cost, power and fuel charges, rates and taxes, security expenses, insurance awareness initiative expenses, corporate social responsibility expenses, software subscription charges, provision for doubtful advances, and receivables, advertisement and business promotion expenses, business support services expenses, housekeeping charges, insurance costs, director sitting fees, auditor fees, bad debts written off, allowance for expected credit losses, seminar, training and conference expenses and miscellaneous expenses.

### **Tax Expense**

Our tax expense comprises 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 the applicable tax rates and provisions of the 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. 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.



## Our Results of Operations

The following table sets forth select financial data from our restated consolidated statement of profit and loss for the nine months ended December 31, 2020 and December 31, 2019, as well as financial years 2020, 2019 and 2018, the components of which are also expressed as a percentage of total income for such periods:

	Nine Months Ended December 31,				Financial Year					
	2020		2019		2020		2019		2018	
	₹ in million	% of Total Income	₹ in million	% of Total Income	₹ in million	% of Total Income	₹ in million	% of Total Income	₹ in million	% of Total Income
<b>Continuing Operations:</b>										
<b>Income:</b>										
Revenue from operations	2,422.04	94%	2,330.14	95%	3,185.85	96%	2,768.19	98%	2,317.57	96%
Other income	152.40	6%	121.42	5%	118.22	4%	43.50	2%	98.22	4%
<b>Total income</b>	<b>2,574.44</b>	<b>100%</b>	<b>2,451.56</b>	<b>100%</b>	<b>3,304.07</b>	<b>100%</b>	<b>2,811.69</b>	<b>100%</b>	<b>2,415.79</b>	<b>100%</b>
<b>Expenses:</b>										
Employee benefits	1,107.71	43%	998.23	41%	1,348.81	41%	1,076.08	38%	893.71	37%
Finance costs	36.88	1%	25.90	1%	36.86	1%	42.81	2%	35.46	1%
Depreciation and amortisation expenses	220.35	9%	190.86	8%	265.06	8%	231.62	8%	186.62	8%
Other expenses	675.26	26%	731.58	30%	1,019.70	31%	867.18	31%	661.44	27%
<b>Total expenses</b>	<b>2,040.20</b>	<b>79%</b>	<b>1,946.57</b>	<b>79%</b>	<b>2,670.43</b>	<b>81%</b>	<b>2,217.69</b>	<b>79%</b>	<b>1,777.23</b>	<b>74%</b>
<b>Profit before exceptional item and tax from continuing operations</b>	<b>534.24</b>	<b>21%</b>	<b>504.99</b>	<b>21%</b>	<b>633.64</b>	<b>19%</b>	<b>594.00</b>	<b>21%</b>	<b>638.56</b>	<b>26%</b>
Exceptional item		0%		0%	-	0%	113.30	4%		0%
<b>Profit before tax from continuing operations</b>	<b>534.24</b>	<b>21%</b>	<b>504.99</b>	<b>21%</b>	<b>633.64</b>	<b>19%</b>	<b>480.70</b>	<b>17%</b>	<b>638.56</b>	<b>26%</b>
<b>Income tax expense:</b>										
Current tax	147.76	6%	149.99	6%	234.63	7%	174.18	6%	176.31	7%
Deferred tax (credit)/charge	5.60	0%	3.00	0%	7.30	0%	(23.22)	(1)%	23.48	1%
<b>Total income tax expense</b>	<b>153.36</b>	<b>6%</b>	<b>152.99</b>	<b>6%</b>	<b>241.93</b>	<b>7%</b>	<b>150.96</b>	<b>5%</b>	<b>199.79</b>	<b>8%</b>
<b>Profit after tax for the period/ year from continuing operations</b>	<b>380.88</b>	<b>15%</b>	<b>352.00</b>	<b>14%</b>	<b>391.71</b>	<b>12%</b>	<b>329.74</b>	<b>12%</b>	<b>438.77</b>	<b>18%</b>
<b>Discontinued operations:</b>										
Profit/ (loss) for the period/ year from discontinued operations	(62.07)	(2)%	(51.92)	(2)%	(57.01)	(2)%	(88.24)	(3)%	(46.59)	(2)%
Tax (credit)/ charge from discontinued operations	12.13	0%	10.32	0%	10.96	0%	20.39	1%	12.22	1%
<b>Profit/ (loss) after tax for the period/ year from discontinued operations</b>	<b>(49.94)</b>	<b>(2)%</b>	<b>(41.60)</b>	<b>(2)%</b>	<b>(46.05)</b>	<b>(1)%</b>	<b>(67.85)</b>	<b>(2)%</b>	<b>(34.37)</b>	<b>(1)%</b>
<b>Profit after tax for the period/ year</b>	<b>330.94</b>	<b>13%</b>	<b>310.40</b>	<b>13%</b>	<b>345.66</b>	<b>10%</b>	<b>261.89</b>	<b>9%</b>	<b>404.40</b>	<b>17%</b>
<b>Total other comprehensive (loss)/ income for the period/ year, net of tax</b>	<b>(2.66)</b>	<b>(0)%</b>	<b>(24.69)</b>	<b>(1)%</b>	<b>(30.15)</b>	<b>(1)%</b>	<b>(42.65)</b>	<b>(2)%</b>	<b>(12.86)</b>	<b>(1)%</b>
<b>Total comprehensive income for the period/ year</b>	<b>328.28</b>	<b>13%</b>	<b>285.71</b>	<b>12%</b>	<b>315.51</b>	<b>10%</b>	<b>219.24</b>	<b>8%</b>	<b>391.54</b>	<b>16%</b>

### Nine Months Ended December 31, 2020 compared to Nine Months Ended December 31, 2019

Our results of operations for the nine months ended December 31, 2020 were particularly affected by the following factors:

- the slowdown in hiring by our corporate accounts portfolio due to COVID-19; and
- the slowdown in our retail portfolio.

## Income

Our total income increased by 5% to ₹ 2,574.44 million for the nine months ended December 31, 2020 from ₹ 2,451.56 million for the nine months ended December 31, 2019, primarily due to increase in revenue from operations.

*Revenue from operations.* Our revenue from operations increased by 4% to ₹ 2,422.04 million for the nine months ended December 31, 2020 from ₹ 2,330.14 million for the nine months ended December 31, 2019. This was primarily due to the growth of our corporate accounts portfolio, as a result of an increase in business from existing accounts and new corporate accounts secured.

*Other income.* Our other income increased by 26% to ₹ 152.40 million for the nine months ended December 31, 2020 from ₹ 121.42 million for the nine months ended December 31, 2019, primarily due to increases in interest earned on term deposits and interest earned on amounts receivable from the demerged consumer business (expenses incurred on their behalf pending NCLT order for demerger of the business), partially offset by decreases in profit on sale of investments in mutual funds and dividend income.

## Expenses

*Employee benefits expense.* Employee benefits expense increased by 11% to ₹ 1,107.71 million for the nine months ended December 31, 2020 from ₹ 998.23 million for the nine months ended December 31, 2019, primarily due to an increase in manpower cost from higher costs recorded for Government claim processing projects, from salaries to the technology team and the growth in our business and operations.

*Other expenses.* Our other expenses decreased by 8% to ₹ 675.26 million for the nine months ended December 31, 2020 from ₹ 731.58 million for the nine months ended December 31, 2019, primarily due to decreases in travelling and conveyance costs, rent, power and fuel charges and printing and stationery costs. This mainly resulted from our operations transiting to predominantly working from home, on account of COVID-19.

*Finance costs.* Our finance costs increased by 42% to ₹ 36.88 million for the nine months ended December 31, 2020 from ₹ 25.90 million for the nine months ended December 31, 2019, primarily due to an increase in interest on overdraft facility taken to fund expenses pertaining to the demerged consumer business (recoverable from the demerged company subsequent to the implementation of the demerger pursuant to the NCLT order). For the nine months ended December 31, 2019, we recorded only one month of interest as compared to the nine months ended December 31, 2020, which resulted in the increase. Following the implementation of the NCLT order, the overdraft facility has since been repaid in full using receipt of amounts due from the demerged consumer business and a no dues certificate has been issued by the lender on March 30, 2021.

*Depreciation and amortisation expense.* Our depreciation and amortisation expense increased by 15% to ₹ 220.35 million for the nine months ended December 31, 2020 from ₹ 190.86 million for the nine months ended December 31, 2019, primarily on account of increases in depreciation on property, plant and equipment and on right-of-use assets.

*Income tax expense.* Our total income tax expense increased marginally to ₹ 153.36 million for the nine months ended December 31, 2020 from ₹ 152.99 million for the nine months ended December 31, 2019, primarily due to deferred tax liability recognised on the difference between the book base and tax base of goodwill consequent upon enactment of the Finance Act, 2021. Our effective tax rate (which represents the ratio of total income tax expense to profit before tax during the relevant period, expressed as a percentage) was 28.71% and 30.30% for the nine months ended December 31, 2020 and 2019, respectively.

*Profit after tax for the period from continuing operations.* Our profit for the period from continuing operations increased by 8% to ₹ 380.88 million for the nine months ended December 31, 2020 from ₹ 352.00 million for the nine months ended December 31, 2019.

*Total comprehensive income.* Our total comprehensive income increased by 15% to ₹ 328.28 million for the nine months ended December 31, 2020 from ₹ 285.71 million for the nine months ended December 31, 2019.

## Financial Year 2020 compared to Financial Year 2019

Our results of operations for the financial year 2020 were particularly affected by the following factors:

- the growth of our corporate accounts portfolio; and
- the growth of retail premiums serviced for private sector insurance companies.

## Income

Our total income increased by 18% to ₹ 3,304.07 million for the financial year 2020 from ₹ 2,811.69 million for the financial year 2019, primarily due to increase in revenue from operations.

*Revenue from operations.* Our revenue from operations increased by 15% to ₹ 3,185.85 million for the financial year 2020 from ₹ 2,768.19 million for the financial year 2019, primarily due to the growth of our corporate accounts portfolio as a result of an increase in business from existing accounts and the addition of new corporate accounts. Our retail portfolio, public health schemes and other revenues also contributed to our growth.

*Other income.* Our other income increased to ₹ 118.22 million for the financial year 2020 from ₹ 43.50 million for the financial year 2019, primarily due to increases in net gain on financial assets measured at fair value through profit and loss, interest on income tax refund, profit on sale of investment in mutual funds and interest on term deposits.

## Expenses

*Employee benefits expense.* Employee benefits expense increased by 25% to ₹ 1,348.81 million for the financial year 2020 from ₹ 1,076.08 million for the financial year 2019, primarily due to an increase in annual increments and performance-linked incentives and growth in volume of the business.

*Other expenses.* Our other expenses increased by 18% to ₹ 1,019.70 million for the financial year 2020 from ₹ 867.18 million for the financial year 2019, primarily due to increases in consulting charges, printing and stationery expenses, repairs and maintenance costs, subcontracting charges and electricity expense. The increase in other expenses was partially offset by a decrease in software subscription charges.

*Finance costs.* Our finance costs decreased by 14% to ₹ 36.86 million for the financial year 2020 from ₹ 42.81 million for the financial year 2019, primarily due to a decrease in interest on lease liabilities.

*Depreciation and amortisation expense.* Our depreciation and amortisation expense increased by 14% to ₹ 265.06 million for the financial year 2020 from ₹ 231.62 million for the financial year 2019, primarily on account of an increase in depreciation on property, plant and equipment and computer equipment.

*Income tax expense.* Our total income tax expense increased by 60% to ₹ 241.93 million for the financial year 2020 from ₹ 150.96 million for the financial year 2019, primarily on account of increase in profit before tax. Our effective tax rate (which represents the ratio of total income tax expense to profit before tax during the relevant period, expressed as a percentage) was 38.18% and 31.40% for the financial years 2020 and 2019, respectively.

*Profit after tax for the year from continuing operations.* Our profit after tax for the year from continuing operations increased by 19% to ₹ 391.71 million for the financial year 2020 from ₹ 329.74 million for the financial year 2019.

*Total comprehensive income.* Our total comprehensive income increased by 44% to ₹ 315.51 million for the financial year 2020 from ₹ 219.24 million for the financial year 2019.

## Financial Year 2019 compared to Financial Year 2018

Our results of operations were particularly affected by the following factors:

- the growth of our corporate accounts portfolio; and
- our acquisition of Medicare Insurance TPA Services (India) Private Limited.

## Income

Our total income increased by 16% to ₹ 2,811.69 million for the financial year 2019 from ₹ 2,415.79 million for the financial year 2018, primarily due to increase in revenue from operations.

*Revenue from operations.* Our revenue from operations increased by 19% to ₹ 2,768.19 million for the financial year 2019 from ₹ 2,317.57 million for the financial year 2018, primarily due to the growth of our corporate accounts portfolio as a result of the increase in business from our existing accounts and the addition of new corporate accounts. There was also an increase in revenues from our retail portfolio on account of the acquisition of Medicare Insurance TPA Services (India) Private Limited.

*Other income.* Our other income decreased by 56% to ₹ 43.50 million for the financial year 2019 from ₹ 98.22 million for the financial year 2018, primarily due to decreases in net gain on financial assets measured at fair value through profit and loss, interest on income tax refund, profit on sale of investment in mutual funds and interest on term deposits and loans.

## Expenses

*Employee benefits expense.* Employee benefits expense increased by 20% to ₹ 1,076.08 million for the financial year 2019 from ₹ 893.71 million for the financial year 2018, primarily due to an increase in annual increments and performance-linked incentives and increase in our total number of employees to 3,304 as on March 31, 2019 from 2,935 as on March 31, 2018.

*Other expenses.* Our other expenses increased by 31% to ₹ 867.18 million for the financial year 2019 from ₹ 661.44 million for the financial year 2018, primarily due to increases in legal and professional charges (in connection with a potential offering), subcontracting expenses, claims disallowed, software subscription charges and travelling and conveyance costs.

*Finance costs.* Our finance costs increased by 21% to ₹ 42.81 million for the financial year 2019 from ₹ 35.46 million for the financial year 2018, primarily due to an increase in interest on lease liabilities.

*Depreciation and amortisation expense.* Our depreciation and amortisation expense increased by 24% to ₹ 231.62 million for the financial year 2019 from ₹ 186.62 million for the financial year 2018, primarily on account of increases in amortisation of intangible assets and depreciation on right-of-use assets, partially offset by a decrease in depreciation on property, plant and equipment and computer equipment.

*Income tax expense.* Our total income tax expense decreased by 24% to ₹ 150.96 million for the financial year 2019 from ₹ 199.79 million for the financial year 2018 due to decrease in profit before tax for the year from continuing operations. Our effective tax rate (which represents the ratio of total income tax expense to profit before tax during the relevant period, expressed as a percentage) was 31.40% and 31.29% respectively, for the financial years 2019 and 2018.

*Profit after tax for the year from continuing operations.* Our profit after tax for the year from continuing operations decreased by 25% to ₹ 329.74 million for the financial year 2019 from ₹ 438.77 million for the financial year 2018. This was primarily due to exceptional charge of ₹ 113.30 million, on account of a impairment of our investment in Mobiefit Technologies Private Limited.

*Total comprehensive income.* Our total comprehensive income decreased by 44% to ₹ 219.24 million for the financial year 2019 from ₹ 391.54 million for the financial year 2018.

## Cash Flows

The following table sets forth our cash flows for the periods indicated:

	(₹ in million)				
	Nine Month Period Ended December 31,		Financial Year		
	2020	2019	2020	2019	2018
Net cash generated from Operating Activities	491.54	172.10	186.54	350.24	402.09
Net cash (used in) Investing Activities	(211.10)	(52.49)	(222.22)	(210.83)	(420.68)
Net cash (used in) Financing Activities	(93.27)	(85.38)	(117.53)	(100.46)	(68.50)
<b>Net (decrease) / increase in Cash and Cash Equivalents</b>	<b>187.17</b>	<b>34.23</b>	<b>(153.21)</b>	<b>38.95</b>	<b>(87.09)</b>

## Operating Activities

Net cash generated from operating activities was ₹ 491.54 million for the nine months ended December 31, 2020. We had a profit before tax for the period from continuing operations of ₹ 534.24 million and a loss after tax for the period from discontinued operations of ₹ 49.94 million. The adjustments primarily comprised depreciation and amortisation expenses of ₹ 220.28 million, interest income of ₹ 37.48 million, finance costs of ₹ 36.74 million and allowance for expected credit losses of ₹ 25.11 million. There were also changes in working capital primarily comprising a decrease in other assets of ₹ 396.27 million, an increase in trade receivables and unbilled receivables of ₹ 157.23 million, a decrease in trade payables of ₹ 25.17 million and a decrease of other liabilities of ₹ 419.68 million. In addition, there was a net income tax refund of ₹ 28.02 million.

Net cash generated from operating activities was ₹ 186.96 million for the financial year 2020. We had a profit before tax for the year of ₹ 633.64 million from continuing operations and a loss after tax for the year of ₹ 46.05 million from discontinued operations. The adjustments were primarily for depreciation and amortisation expenses of ₹ 275.60 million, net gain on financial assets measured at fair value through profit and loss of ₹ 49.82 million and finance costs of ₹ 36.56 million. There were also changes in working capital primarily comprising an increase in other assets of ₹ 564.11 million, a decrease in trade receivables and unbilled receivables of ₹ 356.14 million, a decrease in trade payables of ₹ 274.87 million and an increase of other liabilities of ₹ 193.79 million. In addition, we paid income tax of ₹ 383.27 million.

Net cash generated from operating activities was ₹ 350.24 million for the financial year 2019. We had a profit before tax for the year of ₹ 480.70 million from continuing operations and a loss after tax for the year of ₹ 67.85 million from discontinued operations. The adjustments were primarily for depreciation and amortisation expenses of ₹ 248.08 million and finance costs of ₹ 43.20 million. There were also changes in working capital primarily comprising an increase in trade payables of ₹ 151.98 million, a decrease of other liabilities of ₹ 145.62 million and a decrease in other assets of ₹ 103.39 million. In addition, we paid income tax of ₹ 447.90 million.

Net cash generated from operating activities was ₹ 402.09 million for the financial year 2018. We had a profit before tax for the year of ₹ 638.56 million from continuing operations and a loss after tax for the year of ₹ 34.37 million from discontinued operations. The adjustments were primarily for depreciation and amortisation expenses of ₹ 185.70 million, net gain on financial assets measured at fair value through profit and loss of ₹ 37.00 million and finance costs of ₹ 35.18 million. There were also changes in working capital primarily comprising an increase in trade receivables and unbilled receivables of ₹ 310.75 million, an increase of other liabilities of ₹ 21.17 million, an increase in other assets of ₹ 86.36 million and an increase in trade payables of ₹ 256.31 million. In addition, we paid income tax of ₹ 221.79 million.

## Investing Activities

Net cash used in investing activities was ₹ 211.10 million for the nine months ended December 31, 2020, primarily comprising of investments in fixed deposits of ₹ 411.03 million, proceeds from sale of current investments of ₹ 376.43 million, purchase of current investments of ₹ 120.26 million, purchase of plant, property and equipment, including capital advances of ₹ 51.41 million and payments for software development costs and intangible assets of ₹ 17.10 million.

Net cash used in investing activities was ₹ 222.22 million for the financial year 2020, primarily comprising of proceeds from sale of current investments of ₹ 721.83 million, purchase of current investments of ₹ 515.91 million, investments in fixed deposits of ₹ 231.22 million, purchase of property, plant and equipment, including capital advances of ₹ 131.54 million and payments for software development costs/intangible assets of ₹ 73.94 million.

Net cash used in investing activities was ₹ 210.83 million for the financial year 2019, primarily comprising of purchases of current investments of ₹ 221.60 million, proceeds from sale of current investments of ₹ 260.01 million, purchase of property, plant and equipment, including capital advances of ₹ 136.53 million, acquisition of a business for ₹ 111.44 million, proceeds from maturity of fixed deposits of ₹ 47.57 million and payments for software development costs and intangible assets of ₹ 73.81 million.

Net cash used in investing activities was ₹ 420.68 million for the financial year 2018, primarily comprising of purchase of property, plant and equipment, including capital advances of ₹ 118.98 million, purchase of current

investments of ₹ 174.08 million, purchase of non-current investments of ₹ 50 million and payments for software development costs and intangible assets of ₹ 74.69 million.

### **Financing Activities**

Net cash used in financing activities was ₹ 93.27 million for the nine months ended December 31, 2020, primarily comprising of repayment of lease liabilities of ₹ 82.21 million.

Net cash used from financing activities was ₹ 117.53 million for the financial year 2020, primarily comprising of repayment of lease liabilities of ₹ 115.49 million.

Net cash used in financing activities was ₹ 100.46 million for the financial year 2019, primarily comprising of repayment of lease liabilities of ₹ 99.23 million.

Net cash used in financing activities was ₹ 68.50 million for the financial year 2018, primarily comprising of repayment of lease liabilities of ₹ 68.14 million.

### **INDEBTEDNESS**

As of December 31, 2020, we had outstanding consolidated total borrowings of ₹ 719.42 million.

See “*Financial Indebtedness*” for a description of key terms of our indebtedness on page 266.

In the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our business, results of operations and financial condition.

### **CAPITAL AND OTHER COMMITMENTS**

As of December 31, 2020, our estimated amount of contracts remaining to be executed on capital account and not provided for was ₹ 2.80 million.

### **CAPITAL EXPENDITURE**

Capital expenditure comprises of additions during the year to property, plant and equipment, capital-work-in-progress.

In the nine months ended December 31, 2020, we incurred capital expenditure of ₹ 68.51 million, primarily for software and licenses, office equipment and computers.

In the nine months ended December 31, 2019, we incurred capital expenditure of ₹ 142.76 million, primarily for software and licenses, computers and furniture and fixtures.

In financial year 2020, we incurred capital expenditure of ₹ 205.48 million, primarily for software and licenses, computers and furniture and fixtures.

In financial year 2019, we incurred capital expenditure of ₹ 210.34 million, primarily for computers, leasehold improvement and software and licenses.

In financial year 2018, we incurred capital expenditure of ₹ 193.65 million, primarily for software and licenses and computers.

### **CONTINGENT LIABILITIES**

The table below sets forth our contingent liabilities as of the dates indicated:

<b>Particulars</b>	<i>(₹ in million)</i> <b>As of December 31, 2020</b>
Bonus as per the Payment of Bonus (Amendment) Act, 2015 for the period from April 1, 2014 to March 31, 2015 <sup>(1)</sup>	6.15

Particulars	As of December 31, 2020
Demands raised by the income-tax authorities for the assessment year 2017-18 on account of disallowance of amortisation on goodwill and prior period expenditure and disallowance under section 14A of the Income Tax Act. Net of amount paid to Income tax authority under protest of ₹ 8.02 million	20.75
Disallowed under section 40(a)(ia) of the Income Tax Act, for payments made to various hospitals during the financial years 2007-08 and 2008-09 <sup>(2)</sup>	464.96
Disallowance of employee stock option expenses and disallowance under section 14A Income Tax Act for assessment year 2017-18	3.74
Employee Provident Fund <sup>(3)</sup>	-
<b>Total</b>	<b>495.60</b>

<sup>(4)</sup> The Payment of Bonus (Amendment) Act, 2015 was notified by the Government of India with retrospective effect from April 1, 2014. The High Court of Karnataka based on the writ petition number 5272/2016 and 5311/2016, has vide its order dated February 2, 2016, stayed the operation of the said notification for the financial year 2014-15. The obligation to pay the bonus for the financial year 2014-15 will arise only if the High Court disposes off the writ petition in favour of the Government. Hence, the Company and the Subsidiary have taken a view that an amount of ₹ 6.15 million which is the approximate statutory bonus liability, for the eligible employees in respect of financial year 2014-15, has been considered as a contingent liability.

<sup>(5)</sup> As per income tax assessment order, the Assessing Officer has disallowed under section 40(a)(ia) on payments made to various hospitals during the financial year 2007-08 and 2008-09 totalling to ₹ 118.92 million and ₹ 964.75 million respectively and accordingly raised a demand of ₹ 29.71 million and ₹ 435.25 million under section 143(3) of the Income Tax Act respectively. The Company filed an appeal against these above orders as the payments to hospitals were made from the funds received from insurance companies were an advance and all payments were adjusted against the advance received. The payments were not claimed as an expenditure, hence, these cannot be disallowed under said section. The Subsidiary received favorable orders from Commissioner of Income Tax (Appeals) on August 8, 2012, Income Tax Appellate Tribunal on December 10, 2014, and the High Court on November 30, 2015. However, the income tax department has filed an appeal with the Supreme Court of India. Further, our Subsidiary had acquired Dedicated Healthcare Services TPA (India) Private Limited (DHS) on September 30, 2016 and pursuant to the merger order dated April 6, 2018, DHS merged with the subsidiary from the appointed date specified in the scheme i.e. October 1, 2016.

<sup>(6)</sup> In light of the judgment of the Supreme Court of India dated February 28, 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Miscellaneous Provisions Act, 1952 and based on Company and Subsidiary's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence, it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods. The Company and Subsidiary will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Company and Subsidiary do not expect any material impact of the same.

## OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

## QUANTITATIVE AND QUALITATIVE ANALYSIS OF MARKET RISKS

Our Board has overall responsibility for the establishment and oversight of our risk management framework, We monitor compliance with the risk management policies and procedures, and review the adequacy of the risk management framework in relation to the risks faced by us. The management is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the management.

We are exposed to market risk, credit risk and liquidity risk during the normal course of business. For details, see "Financial Statements" on page 193.

### Market risk

Market risk is the risk that changes in market prices such as interest rates and equity prices, will affect our income or the value of our holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. Material investments within the portfolio are managed on an individual basis, and all buy and sell decisions are approved by the appropriate authority.

Our borrowings are at fixed rate of interest and therefore any change in the base interest rate will not have any impact on our financial statements.

### Equity price risk

Our listed and unlisted equity and preference securities are susceptible to market price risk arising from uncertainties about the future value of investment in these securities. We manage these price risks through strategic

investments and placing limits on individual investments. The investments reports are submitted to the senior management and our Board reviews and approves these investment decisions.

### **Credit Risk**

Credit risk is the risk of financial loss to us if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from our receivables from customers.

The carrying amount of the following financial assets represents the maximum credit exposure:

- a. Trade receivables;
- b. Unbilled receivables;
- c. Cash and bank balances; and
- d. Loans receivables.

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals and continuously monitoring the creditworthiness of customers to which our Company grants credit terms in the normal course of business.

We monitor the sanctioned credit limits as against the outstanding balances. Accordingly, we make specific provisions against such trade receivables wherever required and monitor the same at periodic intervals.

We established an allowance for impairment that represents our estimate of expected losses in respect of trade receivables.

Our management determines the rate of default based on the historical trends and credit-worthiness of the counterparties, including the ageing matrix. We consider trade receivables to be in default when they are 365 or more days past due, and accordingly the default percentage is applied.

### **Unbilled receivables**

We do not have credit risk exposure arising on account of unbilled receivables and other receivables based on our assessment of the credit ratings of our counterparties. For recognition of impairment loss on other financial assets, we recognise 12-month expected credit losses for all originated or acquired financial assets if, at the reporting date, the credit risk has not increased significantly since its original recognition. However, if the credit risk has increased significantly, lifetime ECL is used. ECL impairment loss allowance (or reversal) is recognised in the statement of profit and loss.

### **Cash and cash equivalents and other bank balances**

The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties with good credit rating.

### **Loans receivables**

The loans receivables represent security deposits paid towards office premises leased under contractual arrangements, and EMD deposits for participation in tenders.

### **Impact of COVID-19**

Trade receivables, unbilled receivables and other receivables forms a significant part of the financial assets carried at amortized cost which is valued considering provision for allowance using expected credit loss (“ECL”) method. In addition to the historical pattern of credit loss, we have evaluated the likelihood of increased credit risk and consequential default considering emerging COVID-19 situation. This assessment considers the current collection pattern across business lines and the financial strength of customers. We are closely monitoring the developments across various business lines. Based on this assessment, provision made towards ECL is considered adequate.

### **Liquidity risk**

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation.

### **UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS**



Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

#### **KNOWN TRENDS OR UNCERTAINTIES**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “*Significant Factors Affecting our Results of Operations*” above and the uncertainties described in “*Risk Factors*” on page 26. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

#### **FUTURE RELATIONSHIP BETWEEN COST AND REVENUE**

Other than as described in “*Risk Factors*” and this section, there are no known factors that might affect the future relationship between cost and revenue.

#### **RELATED PARTY TRANSACTIONS**

We have entered into various transactions with related parties, including our Promoters and certain members of our Promoter Group. For example, we derive income from providing support services to Phasorz Technologies Private Limited, one of our group companies, of ₹ 45.64 million in the nine months ended December 31, 2020.

We cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Such related party transactions may potentially involve conflicts of interest. For details on our related party transactions, see “*Financial Statements – Note 41 – Related party disclosures*” on page 256.

#### **COMPETITIVE CONDITIONS**

We expect to continue to compete with existing and potential competitors. For details, please refer to the discussions of our competition in the sections “*Risk Factors*” and “*Our Business*” on pages 26 and 131, respectively.

#### **SEASONALITY AND CYCLICALITY OF BUSINESS**

Our business is not seasonal in nature.

#### **NEW PRODUCTS OR BUSINESS SEGMENTS**

Except as disclosed in “*Our Business*” on page 131, we have not announced, and do not expect to announce in the near future, any new products or business segments. As of the date of this Draft Red Herring Prospectus, we have only one business segment, i.e. the business of health benefits administration and health management services.

#### **SIGNIFICANT DEVELOPMENTS OCCURRING AFTER DECEMBER 31, 2020**

Except as set out in this Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially or 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.

1. Pursuant to a resolution passed by our Shareholders in the EGM held on April 7, 2021 and subsequent allotment on April 9, 2021, we sub-divided the face value of our Equity Shares from ₹ 10 to ₹ 5, such that 37,181 equity shares of ₹10 each aggregating to ₹ 371,810 were sub-divided and reclassified as 74,362 equity shares of ₹ 5 each aggregating to ₹ 371,810.
2. Pursuant to a resolution passed by our Shareholders in the EGM held on April 7, 2021 and subsequent allotment on April 9, 2021, we issued bonus shares in the ratio of 925 equity shares for every 1 equity share held on the record date, April 7, 2021 (i.e., a ratio of 925:1). We have utilized ₹ 343.92 million out of our securities premium and retained earnings account to issue 68,784,850 equity shares of ₹ 5 each.

#### **RECENT ACCOUNTING PRONOUNCEMENTS**

As of the date of this Draft Red Herring Prospectus, there are no recent accounting pronouncements, which would have a material effect on our financial condition or results of operations.

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no (i) outstanding criminal proceedings involving our Company, our Promoters, our Directors or our Subsidiary; (ii) outstanding actions taken by statutory or regulatory authorities involving our Company, our Promoters, our Directors or our Subsidiary; (iii) outstanding claims involving our Company, our Promoters, our Directors or our Subsidiary related to direct and indirect taxes; (iv) other outstanding litigations as determined to be material by our Board of Directors as per the Materiality Policy (defined below) in accordance with the SEBI ICDR Regulations; (v) outstanding dues to creditors of our Company as determined to be material by our Board of Directors as per the Materiality Policy in accordance with the SEBI ICDR Regulations; (vi) outstanding dues to material creditors, micro, small and medium enterprises and other creditors; and (vii) outstanding litigation involving our Group Companies which have a material impact on our Company. Further, except as stated in this section, there are no disciplinary actions including penalty imposed by SEBI or stock exchanges against our Promoters in the last five Financial Years including outstanding action.*

*For the purpose of (iv) and (v) above, our Board in its meeting held on May 8, 2021 has considered and adopted a policy of materiality for identification of material litigation involving our Company, our Promoters, our Directors and our Subsidiary (“**Relevant Parties**” and such policy, the “**Materiality Policy**”).*

*In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five Financial Years including outstanding action, and tax matters, would be considered ‘material’ if:*

- a) the monetary amount of claim by or against the Relevant Parties in any such pending proceeding is in excess of ₹ 33 million i.e., 1% of the total income of our Company on a consolidated basis, as per the Restated Financial Statements for Fiscal 2020. Our total income on a consolidated basis for Fiscal 2020 was ₹ 3,304.07 million. Accordingly, outstanding litigation involving the Relevant Parties have been considered material and disclosed in this section where the aggregate amount involved in such litigation exceeds ₹ 33 million; or*
- b) where the monetary impact is not quantifiable, but an outcome in any such litigation would materially and adversely affect our Company or Subsidiary’s business, prospects, operations, financial position or reputation.*

*In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds ₹ 20 million shall be considered as ‘material’.*

*Accordingly, any outstanding dues exceeding ₹ 20 million have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

*Further, it is clarified that for the purpose of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding statutory or regulatory authorities or notices threatening criminal action) shall, in any event, not be considered as litigation until such time that Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.*

#### **I. LITIGATION INVOLVING OUR COMPANY**

##### **A. Actions by statutory or regulatory authorities against our Company**

1. A summon was issued by the Assistant Provident Fund Commissioner (Compliance), Regional Office, Hyderabad (“**Assistant Commissioner**”), dated January 14, 2016, to Aarogyasri Health Care Trust, to whom our Company provides business process outsourcing support services. It has been alleged that our Company has not deducted the requisite amount of provident fund dues and not enrolled all eligible employees as members under the Employees’ Provident Fund and Miscellaneous Provisions Act, 1952. Our Company has responded to the summons issued by the Assistant Commissioner on December 15, 2017.

The matter was transferred to Employees' Provident Fund Organisation, Bengaluru and is currently pending.

## B. Tax proceedings

S. No.	Particulars	Number of cases	Aggregate amount involved (in ₹ million)
1.	Direct Tax	1	3.74
2.	Indirect Tax	Nil	Nil

## C. Other material matters by our Company

- Our Company has filed an application before Court of the City Civil and Sessions Judge at Bengaluru ("Court") under the Arbitration and Conciliation Act, 1996 seeking interim orders restraining an ex-employee of our Company ("Respondent") from using, divulging or disclosing any confidential information acquired during his employment and publishing or communicating and passing any disparaging remarks, comments or statements against the Company. The Court has passed an ex-parte ad-interim temporary injunction ("Injunction") on March 22, 2021 for restraining the Respondent from disclosing confidential information or proprietary information of the petitioner till the next date of hearing. By way of the order of the Court dated April 15, 2021, the Injunction has been extended till the next date of hearing. By way of letter dated April 27, 2021 our Company has served the Respondent with a notice invoking arbitration for breach of employment terms and seeking compensation of ₹ 103.62 million. The matter is currently pending.

## D. Outstanding dues to creditors

In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding ₹ 20 million was outstanding, were considered 'material' creditors for the purpose of disclosure in this Draft Red Herring Prospectus.

Based on this criteria, details of outstanding dues owed as at December 31, 2020 by our Company are set out below:

Type of Creditors	Number of creditors	Amount involved (in ₹ million)
Dues to micro, small and medium enterprises*	20	6.69
Dues to material creditors	1	77.89
Dues to other creditors**	1,198	273.26
<b>Total</b>		<b>357.84</b>

*\*The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the entrepreneurs memorandum number as allocated after filing of the memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006 (the "Act")'. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at December 31, 2020 was made in the Restated Financial Statements based on information received and available with the Company. Further, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.*

*\*\* Provision for accrued expenses of ₹ 191.78 million are classified as trade payables for which number of cases are not determined.*

The details pertaining to outstanding overdues to the material creditors along with names and amounts involved for each such material creditor are available on the website of our Company at <https://www.mediassist.in/material-creditors/>.

## II. LITIGATION INVOLVING OUR SUBSIDIARY

### A. Litigation against our Subsidiary

#### 1. Criminal proceedings

- A first information report ("FIR") was registered against New India Assurance Company Limited ("NIA"), our Subsidiary and others by the Karnataka State Police in July 2020 for allegedly issuing fake insurance policies and e-cards to the government school-children of the Tumkur rural area. Subsequently, our Subsidiary received notices from the Criminal Investigation Department in December 2020 and January

2021 seeking details of, among others, agreement with NIA and details of students belonging to different schools to whom the insurance and e-cards were issued. The matter is currently pending.

## 2. *Actions by statutory or regulatory authorities against our Subsidiary*

- (i) Pursuant to an onsite inspection undertaken by IRDAI on November 2018 in respect of the activities undertaken by our Subsidiary as a registered third party administrator, IRDAI shared its observations with our Subsidiary and our Subsidiary responded to such observations. Based on the responses submitted by our Subsidiary, IRDAI has issued a show-cause notice dated June 4, 2020 (“**Notice**”) seeking clarifications on certain alleged violations observed by IRDAI during its inspection. The alleged violations primarily relate to, (i) not providing details of grievance redressal procedure, name of grievance redressal officer, his contact details and procedure for approaching the insurance ombudsman and contact details of the insurance ombudsman in the communications addressed to the policyholder or claimant intimating the admission or partial admission of claim; (ii) making deductions in excess of permissible limits as per the policy terms; and (iii) making claim payments directly to the hospitals and maintaining float accounts to make claim payments directly on behalf of the insurers. Our Subsidiary, vide its letter dated June 26, 2020 (“**Letter**”) has responded to the Notice and provided clarifications sought by IRDAI on the aforementioned issues. Our Subsidiary currently awaits IRDAI’s response to our Letter.

## B. Tax proceedings

S. No.	Particulars	Number of cases	Aggregate amount involved (in ₹ million)
1.	Direct Tax	4	521.36
2.	Indirect Tax	Nil	Nil

## C. Litigation by our Subsidiary

### 1. *Criminal proceedings*

- (i) Our Subsidiary (“**Petitioner**”) has filed a criminal writ petition before the High Court of Bombay against the State of Maharashtra (“**Respondent**”) in 2018 in relation to an investigation in a first information report (“**FIR**”) registered on a complaint by the Petitioner against two of its former employees alleging, among others, misappropriation of funds from various insurance policies aggregating to ₹ 7.33 million by way of fraud and cheating. The Petitioner has sought completion of the investigation by the Respondent with respect to the FIR and subsequent filing of a charge sheet. The matter is currently pending.
- (ii) Our Subsidiary (“**Complainant**”) has filed a criminal complaint with the Senior Superintendent of Police, Haryana, against Aastha Hospital, Bahadurgarh, Haryana, its owner, staff and employees (“**Accused**”) alleging fraudulent medical claims made by the Accused by fabricating documents, medical records, impersonation and causing financial loss to the Complainant aggregating to ₹ 2.38 million. The matter is currently pending.
- (iii) Our Subsidiary (“**Complainant**”) has filed a criminal complaint with the Deputy Commissioner of Police, New Delhi, against Deepak Kumar Jha (“**Accused**”), alleging cheating, forgery and wrongful gain. The Accused falsely represented to be an employee of the Complainant and wrongfully received money from the insured customers. The matter is currently pending.
- (iv) Our Subsidiary (“**Complainant**”) has filed a complaint with the Station House Officer, New Delhi, against Chauhan Hospital, Delhi, its owner, staff and Dinesh Kumar (“**Accused**”), alleging false medical claims made by the Accused by fabricating documents, medical records with an intention to cheat in collusion with Dr. Rakesh Sharma, thereby causing financial loss to the Complainant and the insurer and making wrongful gains aggregating to ₹ 0.08 million. The matter is currently pending.
- (v) Our Subsidiary (“**Complainant**”) filed a complaint pursuant to which an FIR was registered by the Tamil Nadu police against the former employees of our Subsidiary, E. Gunasekaran, M. Sharavana Kumar and others (“**Accused**”) for allegedly siphoning off ₹ 10.13 million. The Accused allegedly made changes to the insurer master data due to which payments to certain hospitals were transferred into non-designated bank accounts. The matter is currently pending.

- (vi) Our Subsidiary was appointed by National Insurance Company Limited (“**NIC**”) as a TPA under Rashtriya Swasthya Bima Yojana Scheme (“**RSBY Scheme**”) in the district of Malda, West Bengal. Kaliachak Nursing Home, Malda (“**Kaliachak**”) was one of the healthcare organisations empanelled for providing services under the RSBY Scheme. Kaliachak was de-empanelled in December 2016 by the District Magistrate, Malda due to alleged malpractices during admission of patients in connection with treating different people in the name of original beneficiaries and compelling patients to undergo eye operations. Subsequently, our Subsidiary received a letter in August 2017 from the National Investigation Agency (“**NIA**”) seeking its assistance in investigating claims submitted by Kaliachak under the RSBY Scheme. Our Subsidiary submitted its response to NIA in September 2017 giving full details of the disputed claims. This matter was also investigated under the provisions of Prevention of Money Laundering Act, 2002 by the Enforcement Directorate (“**ED**”) in relation to which summons was issued to the chief executive officer of our Subsidiary in July 2018 to provide details of payments made to Kaliachak during Financial Years 2016 and 2017. Our Subsidiary has responded to the letters from the ED and provided details of all the payments made, aggregating up to ₹ 25.62 million, during Financial Years 2016 and 2017. Our Subsidiary received a communication from NIC in September 2018 stating that Kaliachak had committed serious fraud while providing services as an empanelled hospital under RSBY Scheme during the period from February 20, 2016 to December 12, 2016 amounting to ₹ 7.99 million. In November 2018, NIC requested our Subsidiary to investigate further in the matter and deposit the fraud amount. Our Subsidiary, in good faith, has made a payment of ₹ 4.95 million to NIC and has issued recovery notices to Kaliachak for recovery of such amount. The NIA in its report to the Government of West Bengal noted that out of ₹ 7.99 million, Ashadullah Biswas has misappropriated an amount of ₹ 4.94 million and had conveyed that the prima facie charges revealed under the Indian Penal Code, 1860 (“**IPC**”) do not fall under the ambit of the National Investigation Agency Act, 2008 and that it would not be in a position to investigate the said offences under IPC. Our Subsidiary filed a police complaint in December 2018 at the Kaliachak Police Station, Malda requesting the Superintendent of Police, Malda to register an FIR against Kaliachak, its owner and associates and to investigate into the matter. Since our Subsidiary did not receive any response from the police authorities on this matter, a petition was filed before the Court of the Chief Judicial Magistrate, Malda (“**Court**”) requesting the Court to direct the police to register an FIR against Kaliachak. The Court passed an order in May 2019 directing Kaliachak Police Station to treat the petition as an FIR. The matter is currently pending.
- (vii) Our Subsidiary (“**Complainant**”) filed a criminal complaint before the Court of Judicial Magistrate First Class at Chikkanayakanahalli (“**Court**”) against Prabhulingappa Manasa and Dr. Ranganatha C.S. (“**Accused**”), in relation to their hospital, Chidambara Hospital, Chikkanayakanahalli, for allegedly making false medical claims for the treatment of below poverty line families for various ailments under the Rashtriya Swasthya Bima Yojana Scheme aggregating to ₹ 2.89 million. Pursuant to an order from the Court, an FIR was registered by the Huliya police station. The matter is currently pending.
- (viii) Our Subsidiary (“**Complainant**”) has filed a complaint before the Station Officer, Kharsawan against Vasudev Nursing Home, Ichagarh and Dr. Sauvik Sama Mal (“**Accused**”), for allegedly making over 90 surgeries on a single day from four different districts of Jharkhand and making false medical claims for the treatment. The matter is currently pending.

### III. LITIGATION INVOLVING OUR PROMOTERS

#### A. Other material matters against our Promoters

1. A petition was filed under sections 241, 242 and 244 of the Companies Act 2013 before the National Company Law Tribunal, Chandigarh (“**NCLT**”) by two shareholders of Holiday Triangle Travel Private Limited (“**HTTPL**”), Sankalp Agarwal and Prabhat Gupta (“**Petitioners**”), chief executive officer and (the then) chief technology officer respectively of HTTPL, against HTTPL and its investor shareholders including BICH-II. It was primarily alleged that the investor shareholders, including BICH-II, have aligned to remove the Petitioners from the senior management and employment of HTTPL and hence acted in oppression of the minority shareholders. Amongst others, the Petitioners prayed for an interim injunction restraining the investor shareholders, including BICH-II from removing them from their respective positions and from obstructing the affairs of HTTPL. BICH-II is contesting the company petition and has filed its response opposing the company petition on merits and jurisdiction. On December 23, 2019, the NCLT refused to grant an interim stay in favour of the Petitioners, but directed that no final order with regard to termination of Sankalp Agarwal as chief executive officer be passed until the next date of hearing. By way of an interim order dated May 11, 2020, the NCLT directed maintenance of the *status quo* on the

order dated December 23, 2019 with regard to the employment of Sankalp Agarwal as the chief executive officer, till the next date of hearing. The Petitioners have also filed several applications under the company petition against BICH-II for expedited hearing, bringing additional facts on record, urgent directions, and under section 425 of the Companies Act 2013, alleging contempt of the NCLT's interim orders. The matter, along with these applications, is presently pending adjudication before the NCLT.

**B. Tax proceedings against Medimatter Health**

S. No.	Particulars	Number of cases	Aggregate amount involved (in ₹ million)
1.	Direct Tax	1	0.38
2.	Indirect Tax	Nil	Nil

**IV. LITIGATION INVOLVING OUR DIRECTORS**

**A. Tax proceedings against Anil Chanana**

S. No.	Particulars	Number of cases	Aggregate amount involved (in ₹ million)
1.	Direct Tax	1	0.07
2.	Indirect Tax	Nil	Nil

**Material Developments**

Other than as stated in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 268, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect our trading, profitability, performance or prospects (on a standalone or consolidated basis), the value of our assets (on a standalone or consolidated basis) or our ability to pay our liabilities (on a standalone or consolidated basis) within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

*Our Company can undertake the Offer and our Company and our material Subsidiary can undertake their respective business and operations, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Offer or continue such business and operations. Unless otherwise stated, these material approvals are valid as of the date of this Draft Red Herring Prospectus and there are no other pending material approvals required to be obtained or renewed by our Company or our material Subsidiary in order to carry on their respective business and operations. For further details in connection with the regulatory and legal framework within which we operate, see the section titled “Key Regulations and Policies in India” on page 148.*

*For details of corporate and other approvals in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer – Corporate Approvals” on page 305 and for incorporation details of our Company, see “History and Certain Corporate Matters” on page 154.*

### **I. Approvals in relation to our general business activities**

Our Company and our material Subsidiary are required to obtain approvals and licenses issued by central and state authorities under various rules and regulations in order to continue our general business activities in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements. We have received the following approvals pertaining to our business.

#### **A. Tax related approvals**

##### **(i) Company**

- a. The permanent account number of our Company is AABCN2661E.
- b. The tax deduction account number of our Company is BLRN00845F.
- c. The goods and services tax registration number of our Company is 29AABCN2661E1ZL.
- d. Registration certificates issued under the professional tax acts of the respective states where our branches are located.

##### **(ii) Material Subsidiary**

- a. The permanent account number of our material Subsidiary is AACCM8044R.
- b. The tax deduction account number of our material Subsidiary is BLRM04243B.
- c. Registration certificates issued under the relevant goods and services tax acts and the professional tax acts of the respective states where the branches of our material Subsidiary are located.

#### **B. Labour related approvals**

##### **(i) Company**

- a. Under the provisions of the EPF Act, our Company has been allotted EPF establishment code number BGBNG0044420000.
- b. Under the ESI Act, our Company has been allotted the ESIC code no. 53000282190000910.

##### **(ii) Material Subsidiary**

- a. Under the provisions of the EPF Act, our material Subsidiary has been allotted EPF establishment code number BGBNG25970.
- b. Under the ESI Act, our material Subsidiary has been allotted the ESIC code no. 50000497810001017.

## **II. Approvals in relation to our business operations**

We require various approvals, licenses and registrations under several central or state-level acts, rules and regulations for our business operations. We are also required to obtain certificate of registration issued by labour departments of the respective state governments where the Registered and Corporate Office of our Company and the branch offices of our Company and our material Subsidiary are located under the provisions of the relevant state specific legislations on shops and establishments. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

An indicative list of material approvals required by us for our business operations is provided below:

### **(i) Company**

- a. Certificate of registration issued by the Department of Telecommunications, Ministry of Communications, Government of India for setting up a domestic other service provider centre.

### **(ii) Material Subsidiary**

- a. Certificate of registration as a “third party administrator” issued by the IRDAI bearing registration number 003 valid until March 20, 2023.
- b. Certificate of registrations issued by the Department of Telecommunications, Ministry of Communications, Government of India for setting up domestic other service provider centres.

## **A. Approvals that have expired and for which renewal applications have been made**

### **(i) Material Subsidiary**

- a. Intimation application dated March 22, 2021 to the Surat Municipal Corporation to obtain a renewed registration certificate for the Surat branch of our material Subsidiary under the provisions of the Gujarat Shops and Establishments (Regulation of Employment and Condition of Service) Act, 2019.
- b. Application dated March 6, 2021 to the office of District Labour Superintendent (Labour Superintendent – Patna-1) in order to obtain registration certificate for the Patna branch of our material Subsidiary under the provisions of the Bihar Shops and Establishment Act, 1953.
- c. Application dated March 19, 2021 to the Professional Tax Officer, Baroda Municipal Corporation, for professional tax registration for the Baroda branch of our material Subsidiary.

## **III. Intellectual Property Approvals**

As on the date of this Draft Red Herring Prospectus, our Company has five registered trademarks of which two are registered under class 44, one is registered under class 41 and one is registered under class 35 and 36 of the Trade Marks Act, 1999. Further, our Company has made applications for the “Medi Assist” logo under classes 9, 35, 36, 41, 42 and 44 of the Trade Marks Act, 1999.

Further, our material Subsidiary has five registered trademarks of which two are registered under class 36, two are registered under class 42 and one is registered under class 44 of the Trade Marks Act, 1999. The trademark application filed by our Subsidiary for the trademark “Medi Assist” under class 44 of the Trade Marks Act, 1999 is objected at present by the Trade Marks Registry.



## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

#### Corporate Approvals

- Our Board has authorised the Offer by way of its resolution dated March 5, 2021.
- Our Board and IPO Committee by way of their resolutions dated May 8, 2021 and May 10, 2021 have approved this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.

#### Approvals from the Selling Shareholders

The Selling Shareholders have, severally and not jointly, confirmed and authorised the transfer of their respective portion of Offered Shares pursuant to the Offer for Sale, as set out below:

Sr. No.	Name of the Selling Shareholder	Date of Consent Letter	Number of Equity Shares offered for sale
1.	Dr. Vikram Jit Singh Chhatwal	April 29, 2021	2,539,092
2.	Medimatter Health	April 29, 2021	12,468,592*
3.	BICH-II	April 22, 2021	153,126
4.	Bessemer Health	April 22, 2021	6,606,084
5.	Investcorp Private Equity Fund I	April 27, 2021	6,110,152
6.	Rajan Mehra	April 29, 2021	17,038
7.	Amit Kumar Patni	April 29, 2021	13,334
8.	Arihant Patni	April 29, 2021	13,334
9.	Vinay Sanghi and Seena Sanghi	April 29, 2021	8,149
10.	Project Automobiles (Bombay) Private Limited	April 29, 2021	8,149
11.	P. Shankar Rao and P. Neena Rao	April 29, 2021	17,038
12.	Pramod Ahuja and Jyoti Ahuja	April 29, 2021	17,038
13.	Ranjan Sanghi and Jayashree Sanghi	April 29, 2021	5,186
14.	Vivek Pandit	April 29, 2021	25,928
15.	Jaivardhan Sinha and Sonia Deb	April 29, 2021	25,928

\* Includes 537,080 Equity Shares held jointly with Dr. Vikram Jit Singh Chhatwal

Each Selling Shareholder specifically confirms that, as required under Regulation 8 of the SEBI ICDR Regulations, it has held the Equity Shares proposed to be offered and sold by it in the Offer for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and, to the extent that the Equity Shares being offered by such Selling Shareholder in the Offer have not been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and where such Equity Shares have resulted from a bonus issue, such bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus. Further, in this regard, the Company confirms that the bonus issue was not undertaken by capitalizing or by utilization of revaluation reserves or unrealized profits of the Company. Therefore, the Equity Shares offered by the Selling Shareholders in the Offer are eligible to be offered for sale in the Offer.

#### In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of our Equity Shares pursuant to letters dated [●] and [●], respectively.

#### Prohibition by SEBI, RBI or Governmental Authorities

Our Company, Promoters, Promoter Group, Directors, Selling Shareholders or persons in control of our Company or corporate Promoters, are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any authority or court.

#### Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters, Promoter Group and Selling Shareholders are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

#### Directors associated with the Securities Market

None of our Directors are associated with the securities market in any manner and no action has been initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

#### Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations as described below:

- Our Company has had net tangible assets of at least ₹ 30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each);
- Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and
- Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, operating profits and net worth, derived from the Restated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last three Fiscals ended March 31, 2020, March 31, 2019 and March 31, 2018 are set forth below:

*(₹ in million, unless otherwise stated)*

Particulars	Consolidated		
	Fiscal 2020	Fiscal 2019	Fiscal 2018
Net tangible assets, as restated and consolidated <sup>(1)</sup>	1,071.00	1,044.64	960.39
Operating profit, as restated and consolidated <sup>(2)</sup>	495.27	391.77	529.21
Net worth, as restated and consolidated <sup>(3)</sup>	2,145.94	2,199.98	2,075.03

*Notes:*

- (1) "Net tangible assets", on a restated and consolidated basis, means the sum of all net assets of the Company on a restated and consolidated basis excluding intangible assets, and intangible assets under development as defined in Indian Accounting Standard 38 and right-of-use assets.
- (2) "Operating profits", on a restated and consolidated basis, has been calculated as net profit before tax of the Company (continuing and discontinuing operations) excluding other income and finance costs.
- (3) Net worth of the Company, on a restated and consolidated basis, has been defined as the aggregate of share capital, other equity and non-controlling interest of the Company.

Our Company has operating profits in each of Fiscals 2020, 2019 and 2018 in terms of our Restated Financial Statements.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations, as follows:

- (a) Neither our Company, nor our Promoters or members of our Promoter Group or our Directors or the Selling Shareholders, are debarred from accessing the capital markets by SEBI.

- (b) None of our Promoters, nor our Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.
- (c) Neither our Company nor our Promoters or any of our Directors is a Wilful Defaulter.
- (d) None of our Promoters or Directors is a Fugitive Economic Offender.
- (e) Except for employee stock options granted pursuant to MAHS ESOP Scheme 2013, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

#### **DISCLAIMER CLAUSE OF THE SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMs, AXIS CAPITAL LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED, IIFL SECURITIES LIMITED AND SBI CAPITAL MARKETS LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs, AXIS CAPITAL LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED, IIFL SECURITIES LIMITED AND SBI CAPITAL MARKETS LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 10, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

#### **Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs**

Our Company, our Directors, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.mediassist.in](http://www.mediassist.in), or any website of our Subsidiary, any affiliate of our Company or any of the Group Companies or Selling Shareholders, would be doing so at his or her own risk. It is clarified that neither the Selling Shareholders, nor their respective directors, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically made or undertaken by such Selling Shareholder in relation to itself and/or the Equity Shares offered by it through the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Subsidiary, our Group Companies, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

#### **Disclaimer in respect of Jurisdiction**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India, Hindu Undivided Families (“HUFs”), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts under the applicable trust laws, and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies and pension funds and, to permitted non-residents including Eligible NRIs, Alternative Investment Funds (“AIFs”), Foreign Portfolio Investors registered with SEBI (“FPIs”) and QIBs. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Karnataka, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur; and (ii) in the United States only to persons**

reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to Section 4(a) of the U.S. Securities Act.

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.**

#### **Disclaimer Clause of the BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by the BSE to us shall be included in the Red Herring Prospectus prior to filing with the RoC.

#### **Disclaimer Clause of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to us shall be included in the Red Herring Prospectus prior to filing with the RoC.

#### **Listing**

The Equity Shares proposed to be Allotted pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares being offered and transferred in the Offer and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed by SEBI. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period. However, the respective Selling Shareholders shall not be liable to pay and / or reimburse any expenses towards refund or any interest thereon in respect to Allotment of their respective proportion of the Offered Shares or otherwise, unless the failure or default or delay, as the case may be, is solely on account of such Selling Shareholder and such liability shall be limited to the extent of their respective Offered Shares. Further, other than listing fees, which will be paid by the Company, all costs, fees and expenses with respect to the Offer (*except for any interest payable by the Company and/ or any Selling Shareholder on refund of application money in relation to the Offer*) will be reimbursed to the Company by Dr. Vikram Jit Singh Chhatwal, Medimatter Health, BICH-II and Bessemer Health (*in proportion to their respective Offered Shares*) upon listing of the Equity Shares, in accordance with the Cost Reimbursement Agreement. For details, please see “**History and Certain Corporate Matters – Other Material Agreements**” on page 160.

#### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act 2013 involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 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 times of such amount. In case the fraud involves (i) an amount which is less than ₹ 1 million or 1% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 5 million or with both.

### **Consents**

Consents in writing of: (a) the Selling Shareholders, our Directors, the Chief Compliance Officer and Company Secretary, the legal counsels, the banker to our Company, Banker to the Company, industry sources, independent chartered accountants, the BRLMs and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Bankers to the Offer/Escrow Bank, Public Offer Account Bank, Sponsor Bank and Refund Bank to act in their respective capacities, will be obtained. Further, such consents have not been withdrawn until the date of this Draft Red Herring Prospectus.

Our Company has received written consent from the Statutory Auditors to include their name in this Draft Red Herring Prospectus as required under Section 26 of the Companies Act 2013 read with the SEBI ICDR Regulations and as an “expert” as defined under Section 2 (38) of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of (i) their examination report on our Restated Financial Statements dated May 8, 2021; and (ii) statement of special tax benefits dated May 8, 2021 and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. The term “experts” and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act. Further, such consent has not been withdrawn until the date of this Draft Red Herring Prospectus.

### **Particulars regarding Public or Rights Issues during the last five years**

Our Company has not undertaken any public issue in the five years preceding the date of this Draft Red Herring Prospectus. Other than as disclosed in “*Capital Structure - Notes to the Capital Structure*” on page 67, our Company has not undertaken any rights issues in the five years immediately preceding the date of this Draft Red Herring Prospectus.

### **Commission or Brokerage on Previous Issues in the last five years**

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years immediately preceding the date of this Draft Red Herring Prospectus.

### **Capital Issues in the Preceding Three Years**

Except as disclosed in “*Capital Structure - Notes to the Capital Structure*” on page 67, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus. Further, our Subsidiary has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any listed group companies or an associate.

### **Performance vis-à-vis Objects – Public/ rights issue of our Company**

Our Company has not undertaken any public issue in the five years preceding the date of this Draft Red Herring Prospectus. Other than as disclosed in “*Capital Structure - Notes to the Capital Structure*” on page 67, our Company has not undertaken any rights issues in the five years immediately preceding the date of this Draft Red Herring Prospectus.

### **Performance vis-à-vis Objects – Public/ rights issue of the listed subsidiary/ listed promoters of our Company**

Neither our Subsidiary nor our corporate Promoters are listed on any stock exchange.

### **Price information of past issues handled by the BRLMs**

## Axis Capital Limited

### 1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	-	-	-
2.	Barbeque – Nation Hospitality Limited	4,528.74	500.00	April 7, 2021	489.85	+18.77%, [-0.64%]	-	-
3.	Suryoday Small Finance Bank Limited <sup>§</sup>	5,808.39	305.00	March 26, 2021	292.00	-18.38%, [-1.14%]	-	-
4.	Kalyan Jewellers India Limited <sup>#</sup>	11,748.16	87.00	March 26, 2021	73.95	-24.60%, [-1.14%]	-	-
5.	Craftsman Automation Limited	8,236.96	1,490.00	March 25, 2021	1,359.00	-13.82%, [+0.11%]	-	-
6.	Laxmi Organic Industries Limited	6,000.00	130.00	March 25, 2021	155.50	+37.85%, [+0.11%]	-	-
7.	Anupam Rasayan India Limited	7,600.00	555.00	March 24, 2021	520.00	-0.11%, [-0.98%]	-	-
8.	Easy Trip Planners Limited	5,100.00	187.00	March 19, 2021	212.25	-7.27%, [-0.86%]	-	-
9.	Home First Finance Company India Limited	11,537.19	518.00	February 3, 2021	618.80	+4.98%, [+1.97%]	-5.64%, [-1.05%]	-
10.	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	+18.90%, [+5.87%]	+52.90%, [+20.25%]	+45.79%, [+24.34%]

Source: www.nseindia.com

\$ Offer price was ₹ 275.00 per equity share to eligible employees

# Offer price was ₹ 79.00 per equity share to eligible employees

Notes:

a. Issue Size derived from Prospectus/final post issue reports, as available.

b. The CNX NIFTY is considered as the Benchmark Index.

c. Price on NSE is considered for all of the above calculations.

d. In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.

e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

### 2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022*	2	29,528.74	-	-	-	-	-	1	-	-	-	-	-	-
2020-2021	11	93,028.90	-	-	6	2	1	2	-	-	-	2	1	1
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3

\* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

## Edelweiss Financial Services Limited

### 1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Edelweiss

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	Not Applicable	Not Applicable	Not Applicable
2.	Stove Kraft Limited	4,126.25	385.00	February 5, 2021	498.00	30.68% [0.09%]	28.92% [-2.05%]	Not Applicable
3.	Indigo Paints Limited	11,691.24	1,490.00	February 2, 2021	2,607.50	75.72% [4.08%]	55.40% [-0.11%]	Not Applicable
4.	Burger King India	8,100.00	60.00	December 14, 2020	112.50	146.5% [7.41%]	135.08% [10.86%]	Not Applicable
5.	Equitas Small Finance Bank	5,176.00	33.00	November 2, 2020	31.10	5.45% [12.34%]	19.55% [16.84%]	68.18% [25.38%]
6.	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	18.90% [5.87%]	52.90% [20.25%]	45.79% [24.34%]
7.	Angel Broking Limited	6,000.00	306.00	October 5, 2020	275.00	-2.32% [2.70%]	10.02% [21.86%]	-3.74% [29.24%]
8.	Route Mobile Limited	6,000.00	350.00	September 21, 2020	717.00	105.81% [5.74%]	231.04% [22.31%]	349.14% [31.05%]
9.	Prince Pipes and Fittings Limited	5,000.00	178.00	December 30, 2019	160.00	0.14% [-1.63%]	-44.33% [-29.34%]	-35.00% [-15.28%]
10.	IndiaMART InterMESH Limited	4,755.89	973.00**	July 4, 2019	1180.00	26.36% [-7.95%]	83.82% [-4.91%]	111.64% [2.59%]

Source: www.nseindia.com

\*\*IndiaMART InterMESH Limited - A discount of ₹ 97 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹973 per equity share

Notes:

- Based on date of listing.
- % of change in closing price on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day
- Wherever 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
- The Nifty 50 index is considered as the benchmark index
- Not Applicable. – Period not completed
- Disclosure in Table-1 restricted to 10 issues

### 2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Edelweiss

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022	1	25,000.00	-	-	-	-	-	-	-	-	-	-	-	-
2020-2021	7	45,530.35	-	-	1	3	1	2	-	-	1	2	1	-
2019-2020	3	23,208.49	-	-	-	-	1	2	-	1	-	1	-	1

The information is as on the date of the document

- Based on date of listing.
- Wherever 30<sup>th</sup> and 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
- The Nifty 50 index is considered as the Benchmark Index.

\*For the financial year 2021-22- 1 issue has been completed. For the financial year 2020-21, all issues have completed 30 days and 4 issues have completed 180 days.



## **IIFL Securities Limited**

### 1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, +/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Equitas Small Finance Bank Limited	5,176.00	33.00	November 2, 2020	31.10	+5.45%, [+12.34%]	+19.55%, [16.84%]	+68.18%, [+25.38%]
2.	Mrs. Bectors Food Specialities Limited	5,405.40	288.00	December 24, 2020	500.00	+37.69%, [+4.53%]	+19.93%, [+7.75%]	Not Applicable
3.	Antony Waste Handling Cell Limited	2,999.85	315.00	January 1, 2021	436.10	-10.27%, [-2.74%]	-23.21%, [+4.80%]	Not Applicable
4.	MTAR Technologies Limited	5964.14	575.00	March 15, 2021	1,050.00	+69.45%, [-2.84%]	Not Applicable	Not Applicable
5.	Anupam Rasayan India Limited	7,600.00	555.00	March 24, 2021	520.00	-0.11%, [-0.98%]	Not Applicable	Not Applicable
6.	Craftsman Automation Limited	8,236.96	1,490.00	March 25, 2021	1,359.00	-13.82%, [+0.11%]	Not Applicable	Not Applicable
7.	Suryoday Small Finance Bank Limited	5,808.39	305.00	March 26, 2021	292.00	-18.38%, [-1.14%]	Not Applicable	Not Applicable
8.	Nazara Technologies Limited	5,826.91	1,101.00	March 30, 2021	1,990.00	+62.57%, [0.13%]	Not Applicable	Not Applicable
9.	Barbeque-Nation Hospitality Limited	4,528.74	500.00	April 7, 2021	489.85	+18.77%, [-0.64%]	Not Applicable	Not Applicable
10.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	Not Applicable	Not Applicable	Not Applicable

Source: www.nseindia.com

Note: Benchmark Index taken as CNX NIFTY. Price on NSE has been considered for all of the above calculations. The 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30<sup>th</sup> /90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. The Nifty 50 index is considered as the benchmark index.

### 2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022	2	29,528.74	-	-	-	-	-	1	-	-	-	-	-	-
2020-2021	8	47,017.65	-	-	4	2	1	1	-	-	-	1	-	-
2019-2020	5	65,827.61	-	-	2	-	1	2	1	1	1	-	-	2

Source: www.nseindia.com

Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

## **SBI Capital Markets Limited**

### 1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by SBICAP

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, +/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	NA	NA	NA
2.	Barbeque-Nation Hospitality Limited	4,528.74	500.00	April 7, 2021	489.85	18.77% [-0.64%]	NA	NA
3.	Suryoday Small Finance Bank Limited <sup>(1)</sup>	5,808.39	305.00	March 26, 2021	292.00	-18.38% [-1.14%]	NA	NA
4.	Kalyan Jewellers India Limited <sup>(2)</sup>	11,748.16	87.00	March 26, 2021	73.95	-24.60% [-1.14%]	NA	NA
5.	Railtel Corporation of India Limited	8,192.42	94.00	February 26, 2021	109.00	35.64% [-0.15%]	NA	NA
6.	Indian Railway Finance Corporation Limited	46,333.79	26.00	January 29, 2021	24.90	-5.19% [+6.56%]	-18.65% [+9.02%]	NA
7.	Mrs. Bectors Food Specialities Limited <sup>(3)</sup>	5,405.40	288.00	December 24, 2020	500.00	37.69% [+4.53%]	19.93% [+7.75%]	NA
8.	UTI Asset Management Company Limited	21,598.84	554.00	October 12, 2020	500.00	-10.43% [+5.87%]	-0.60% [+20.25%]	5.81% [+24.34%]
9.	Angel Broking Limited	6,000.00	306.00	October 5, 2020	275.00	-2.32% [+2.70%]	10.01% [+21.86%]	-3.74% [+29.24%]
10.	SBI Cards & Payment Services Limited <sup>(4)</sup>	103,407.88	755.00	March 16, 2020	661.00	-33.05% [-2.21%]	-21.79% [+8.43%]	12.50% [+24.65%]

Source: www.nseindia.com

#### Notes

\* The 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> calendar day computation includes the listing day. If either of the 30<sup>th</sup>, 90<sup>th</sup> or 180<sup>th</sup> calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day.

\* The Nifty 50 index is considered as the Benchmark Index

<sup>(1)</sup> Price for eligible employee was ₹ 30.00 per equity share

<sup>(2)</sup> Price for eligible employee was ₹ 8.00 per equity share

<sup>(3)</sup> Price for eligible employee was ₹ 273.00 per equity share

<sup>(4)</sup> Price for eligible employees was ₹ 680.00 per equity share

### 2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by SBICAP

Financial Year	Total no. of IPOs <sup>#</sup>	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022*	2	29,528.74	-	-	-	-	-	1	-	-	-	-	-	-
2020-2021	7	1,05,087.00	-	-	5	-	2	-	-	-	2	-	-	-
2019-2020	3	138,283.86	-	1	1	1	-	-	1	-	-	1	-	1

\* The information is as on the date of this Offer Document

<sup>#</sup> Date of Listing for the issue is used to determine which financial year that particular issue falls into.

## Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Managers, as provided in the table below:

S. No.	Name of the Book Running Lead Manager	Website
1.	Axis Capital Limited	www.axiscapital.co.in
2.	Edelweiss Financial Services Limited	www.edelweissfin.com
3.	IIFL Securities Limited	www.iiflcap.com
4.	SBI Capital Markets Limited	www.sbicaps.com

## Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

## Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors can contact the Chief Compliance Officer and Company Secretary, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

## Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-

routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Megha Matoo, Chief Compliance Officer and Company Secretary and she may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

**Megha Matoo**

Tower D, 4<sup>th</sup> floor

IBC Knowledge Park

4/1, Bannerghatta Road

Bengaluru 560 029

Karnataka, India

**Tel:** (+91 80) 6919 0000

**E-mail:** investor.relations@mediassist.in

Our Company shall obtain authentication on the SCORES and comply with the SEBI circulars in relation to redressal of investor grievances through SCORES.

Further, our Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "***Our Management***" on page 165.

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

## SECTION VII – OFFER RELATED INFORMATION

### TERMS OF THE OFFER

The Equity Shares offered and Allotted in the Offer will be subject to the provisions of the Companies Act 2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the CAN, the abridged prospectus and other terms and conditions as may be incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to offer for sale and listing and trading of securities, issued from time to time, by SEBI, GoI, Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

#### Ranking of Equity Shares

The Equity Shares being offered and transferred pursuant to the Offer will be subject to the provisions of the Companies Act 2013, the Memorandum of Association and the Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of transfer in accordance with applicable law. For more information, see “*Main Provisions of the Articles of Association*” on page 341.

#### Mode of Payment of Dividend

Our Company will pay dividend, if declared, to the Shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment in this Offer will be payable to the Allottees, for the entire year, in accordance with applicable law. For more information, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” on pages 192 and 341, respectively.

#### Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹ 5. At any given point of time there will be only one denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●]. The Offer Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, and shall be published at least two Working Days prior to the Bid/ Offer Opening Date, in [●] editions of [●] (a widely circulated English national daily newspaper) [●] editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered and Corporate Office is located), and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges.

#### Rights of the Equity Shareholders

Subject to applicable law and our Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act 2013, the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see “*Main Provisions of the Articles of Association*” on page 341.

### **Allotment only in dematerialized form**

In terms of Section 29 of the Companies Act 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form.

### **Market Lot and Trading Lot**

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see “*Offer Procedure*” on page 325.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

### **Nomination Facility**

In accordance with Section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder’s death during minority. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

### **Bid/ Offer Period**

<b>EVENT</b>	<b>INDICATIVE DATE</b>
<b>BID/ OFFER OPENS ON<sup>(1)</sup></b>	[●]
<b>BID/ OFFER CLOSES ON<sup>(2)</sup></b>	[●]
<b>FINALIZATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE</b>	[●]

<b>INITIATION OF REFUNDS (IF ANY, FOR ANCHOR INVESTORS)/ UNBLOCKING OF FUNDS FROM ASBA ACCOUNT</b>	[●]
<b>CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS OF ALLOTTEES</b>	[●]
<b>COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES</b>	[●]

<sup>(1)</sup> Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.

<sup>(2)</sup> Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/deleted ASBA Forms, the Bidder shall be compensated by the SCSB at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated by the SCSB at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated by the SCSB at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated by the SCSB at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date till the date of the actual unblock. The SCSBs shall compensate the Bidder, immediately on the date of receipt of complaint from the Bidder. From the date of receipt of complaint from the Bidder, in addition to the compensation to be paid by the SCSBs as above, the post-Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of on which grievance is received by the BRLMs or Registrar until the date on which the blocked amounts are unblocked.

**The aforesaid timetable, is indicative in nature and does not constitute any obligation or liability on our Company or the Selling Shareholders or the members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed by SEBI, the timetable may be subject to change for various reasons, including extension of Bid/ Offer Period by our Company and the Promoter Selling Shareholders, due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law. Each of the Selling Shareholders, severally and not jointly, confirm that they shall extend reasonable co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed.**

Except in relation to Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/ Offer Period at the Bidding Centers, except that on the Bid/ Offer Closing Date (which for QIBs may be a day prior to the Bid/ Offer Closing Date for non-QIBs), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) for Bids by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. or such extended time as permitted by the Stock Exchanges (Indian Standard Time) in case of Bids by Retail Individual Investors. On the Bid/ Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing

Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

Due to limitation of time available for uploading Bids on the Bid/ Offer Closing Date, Bidders are advised to submit Bids one day prior to the Bid/ Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that if a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Offer. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected. Our Company, Selling Shareholders and the members of Syndicate will not be responsible for any failure in (i) uploading Bids due to faults in any hardware/software system or otherwise; (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. Bids will be accepted only on Working Days. Investors may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by the BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/ Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

**In case of revision in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days.**

**Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges by issuing a public notice and by indicating the change on the websites of the BRLMs and terminals of the Syndicate Members and will also intimated to SCSBs, the Registered Brokers, RTAs, CDPs and the Sponsor Bank. However, in case of revision in the Price Band, the Bid Lot shall remain the same.**

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

#### **Minimum Subscription**

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI ICDR Regulations. However, if our Company does not make the minimum Allotment as specified under terms of the Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, the Selling Shareholders, to the extent applicable, and our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days, interest at the rate of 15% per annum shall be paid, in accordance SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company and the Selling Shareholders shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

#### **Arrangement for Disposal of Odd Lots**

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

#### **Restriction on Transfer of Shares and Transmission of Equity Shares**



Except for lock-in of the pre- Offer capital of our Company, the minimum Promoter’s Contribution and the Anchor Investor lock-in in the Offer as detailed in “*Capital Structure*” on page 67, and except as provided in the Articles of Association as detailed in “*Main Provisions of the Articles of Association*” on page 341, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting.

## OFFER STRUCTURE

The Offer comprises of an Offer for Sale by the Selling Shareholders of up to 28,028,168 Equity Shares of face value of ₹ 5 each, at an Offer Price of ₹ [●] per Equity Share for cash, aggregating up to ₹ [●] million. The Offer shall constitute 40.70% of the post-Offer paid-up Equity Share capital of our Company.

The Offer is being made through Book Building Process.

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/ allocation <sup>(2)</sup>	Not more than [●] Equity Shares	Not less than [●] Equity Shares or Offer less allocation to QIBs and Retail Individual Investors	Not less than [●] Equity Shares or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer Size available for Allotment or allocation	Not more than 50% of the Offer size shall be available for allocation to QIBs. 5% of the QIB Category (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Category. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not less than 15% of the Offer or the Offer less allocation to QIBs and Retail Individual Investors will be available for allocation	Not less than 35% of the Offer or the Offer less allocation to QIBs and Non-Institutional Investors will be available for allocation
Basis of Allotment if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion):  (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	Proportionate, subject to minimum bid lot. Allotment to each Retail Individual Investor shall not be less than the minimum bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares shall be allocated on a proportionate basis. For details, see “Offer Procedure” on page 325
Mode of Bidding	Through ASBA process only (except Anchor Investors)		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer size, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer size (excluding the QIB Category), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
Who can Apply <sup>(3)</sup>	Public financial institutions specified in Section 2(72) of the Companies Act 2013, FPIs registered with SEBI (other than individuals, corporate bodies and family offices), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, NBFC-SI, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, pension funds with a minimum corpus of ₹ 250 million, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts and any individuals, corporate bodies and family offices which are re-categorised as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs
Terms of Payment	<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(4)</sup></p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Bank through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form</p>		

<sup>a</sup>Assuming full subscription in the Offer.

- <sup>(1)</sup> Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors at the price at the Anchor Investor Allocation Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price.
- <sup>(2)</sup> This Offer is being made in accordance with Rule 19(2)(b) of the SCRR, through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer will be available for allocation to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis. Further, not less than 15% of the Offer will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws.
- <sup>(3)</sup> If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.
- <sup>(4)</sup> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

*Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

### **Withdrawal of the Offer**

Our Company and the Promoter Selling Shareholders in consultation with the BRLMs, reserve the right not to proceed with the Offer at any time after the Bid/Offer Closing Date but before Allotment. In such an event, our Company will issue a public notice within two days from the Bid/ Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs or the Sponsor Bank, as the case may be, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, our Company will file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within six Working Days of the Bid/ Offer Closing Date or such other time period as prescribed under Applicable Law.

## OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the Circulars on Streamlining of Public Issues (the “**General Information Document**”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“**CAN**”) and Allotment in the Offer; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 (“**UPI Circular**”) has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (“**UPI Phase I**”), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”) with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-2019 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“**UPI Phase III**”), as may be prescribed by SEBI. Accordingly, the Offer will be made under UPI Phase II, unless UPI Phase III becomes effective and applicable on or prior to the Bid / Offer Opening Date. If the Offer is made under UPI Phase III, the same will be advertised in [●] editions of the English national daily newspaper, [●] editions of the Hindi national daily newspaper, [●] and [●] editions of the Kannada daily newspaper, [●] (Kannada being the regional language of Karnataka, where our Registered and Corporate Office is located) on or prior to the Bid / Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites. Further, SEBI vide its circular (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.

Our Company, the respective Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

*Further, our Company, the Selling Shareholders and the members of the Syndicate do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.*

### **Book Building Procedure**

The Offer is being made through the Book Building Process in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company and Promoter Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category (other than Anchor Investor Portion). Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and the Promoter Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, and UPI ID (for Retail Individual Investors Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered and Corporate Office. The Bid cum Application Forms will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and the BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/ Offer Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLMs.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and Retail Individual Investors Bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Form that does not contain such detail are liable to be rejected.

Retail Individual Investors Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the ASBA Form. ASBA Forms that do not contain the UPI ID are liable to be rejected. Retail Individual Investors Bidding using the UPI Mechanism may also apply through the SCsBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. Bidders, using the ASBA process to participate in the Offer, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein.

The prescribed colours of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form <sup>(1)</sup>
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis <sup>(2)</sup>	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions <sup>(2)</sup>	Blue
Anchor Investors <sup>(3)</sup>	White

<sup>(1)</sup> Excluding electronic Bid cum Application Forms

<sup>(2)</sup> Electronic Bid cum Application forms will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and the BSE ([www.bseindia.com](http://www.bseindia.com)).

<sup>(3)</sup> Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur; and (ii) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to Section 4(a) of the U.S. Securities Act.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms (except ASBA Forms submitted by Retail Individual Investors Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For Retail Individual Investors using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate a UPI Mandate Request to such Retail Individual Investors for blocking of funds. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from an RII who is not Bidding using the UPI Mechanism.

Stock Exchanges shall validate the electronic bids with the records of the depository for DP ID/Client ID and PAN, on a real time basis through API integration and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID (but not both), bank code and location code in the Bid details already uploaded.

#### **Electronic registration of Bids**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

**Participation by Promoters, Promoter Group, BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to Promoters, Promoter Group, BRLMs and the Syndicate Members**

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, no BRLM or its respective associates can apply in the Offer under the Anchor Investor Portion. For details, see “- *Bids by Anchor Investors*” on page 331.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with applicable law. Furthermore, persons related to the Promoters and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders’ agreement or voting agreement entered into with any of the Promoters or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or Promoter Group of our Company.

### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of ASBA Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs applying on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) accounts, and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid amount, at the time of submission of the ASBA Form.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation of Eligible NRI(s) in the Offer shall be subjected to the FEMA Rules.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 340.

### **Bids by HUFs**



Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

### **Bids by FPIs**

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

In terms of the FEMA Rules and Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations 2019 (“**SEBI FPI Regulations**”), investment in the Equity Shares by a single FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% or common control) shall be below 10% of our post-Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up equity 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 issued 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 the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (i.e. 100% under the automatic route in our case). The aggregate limit may be decreased below the sectoral cap to a threshold limit of 24% or 49% or 74% as deemed fit by way of a resolution passed by our Board followed by a special resolution passed by the Shareholders of our Company. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for Offer procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- (a) such offshore derivative instruments are issued only by persons registered as category I FPIs;
- (b) such offshore derivative instruments are issued only to persons eligible for registration as category I FPIs;
- (c) such offshore derivative instruments are issued after compliance with the ‘know your client’ norms as specified by SEBI; and
- (d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that any transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)) and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Further, Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure “**MIM Structure**”) provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the

same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected. Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids: (i) FPIs which utilise the MIM Structure, indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as category 1 FPIs; and (vii) Entities registered as collective investment scheme having multiple share classes.

### **Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company and the Book running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason therefor, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “**Banking Regulation Act**”), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank’s own paid-up share capital and reserves, whichever is lower. Further, the aggregate

equity investments in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid-up share capital and reserves. However, a banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company.

### **Bids by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 issued by the SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDA Investment Regulations**"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and Selling Shareholders in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and Selling Shareholders, in consultation with the BRLMs, may deem fit.

### **Bids by Anchor Investors**

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, no BRLM or its respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an “associate of the BRLM” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid, without assigning any reason therefor.

**The above information is given for the benefit of the Bidders. Our Company, Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulations and as specified in the Red Herring Prospectus, when filed.**

**In accordance with RBI regulations, OCBs cannot participate in the Offer.**

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●] (a widely circulated English national daily newspaper) [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language in Karnataka where our Registered and Corporate Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/ Offer Opening Date, the Bid/ Offer Closing Date and the QIB Bid/ Offer Closing Date, if any. This advertisement, subject to the provisions of Section 30 of the Companies Act 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

### **Allotment Advertisement**

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] editions of the Kannada daily newspaper [●] (Kannada being the regional language of Karnataka, where our Registered and Corporate Office is located).

### **Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company intends to enter into an underwriting agreement with the Underwriters on or immediately after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

### **General Instructions**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

### **Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;

3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form (with a maximum length of 45 characters) and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
4. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
5. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;
8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. Retail Individual Investors using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
9. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
10. If the first Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be). Bidders (except Retail Individual Investors Bidding using the UPI Mechanism) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form. Retail Individual Investors Bidding using the UPI Mechanism should ensure that they have mentioned the correct UPI-linked bank account number and their correct UPI ID in the Bid cum Application Form;
11. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;
14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
15. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN

for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

17. Ensure that the Demographic Details are updated, true and correct in all respects;
18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;
21. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
22. Bidders (except Retail Individual Investors Bidding using the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment, in a timely manner;
23. Note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilize the MIM Structure and such Bids such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
24. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and Retail Individual Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
25. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor may be deemed to have verified the attachment containing the application details of the Retail Individual Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the ASBA Form in his/her ASBA Account;
27. Retail Individual Investors Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the ASBA Form;

28. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;
29. Bids by Eligible NRIs, HUFs and FPIs other than individuals, corporate bodies and family offices, for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer;
30. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs; and
31. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, is liable to be rejected.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form, as the case may be after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Anchor Investors should not Bid through the ASBA process;
7. If you are an RII and are using the UPI Mechanism, do not submit more than one Form from each UPI ID.
8. Do not submit the Bid cum Application Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;
9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;
12. Do not submit your Bid after 3.00 pm on the Bid/ Offer Closing Date;
13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/ Offer Closing Date;
14. Do not Bid for Equity Shares in excess in excess of what is specified for each category;
15. Do not submit the General Index Register (GIR) number instead of the PAN;

16. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
17. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
18. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
19. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
20. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Investors using the UPI Mechanism;
21. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
22. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
23. Do not submit more than one Bid cum Application Form per ASBA Account;
24. Do not submit a Bid using UPI ID, if you are not a Retail Individual Investor;
25. Do not submit an ASBA Form with third party linked UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism); and
26. Do not submit ASBA Forms to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>).

Further, helpline details of the Book Running Lead Managers pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 are set forth in the table below:

S. No.	Name of the Book Running Lead Manager	Helpline (email)	Telephone
1.	Axis Capital Limited	mhsl@axiscap.in	(+ 91 22) 4325 2183
2.	Edelweiss Financial Services Limited	mediassist.ipo@edelweissfin.com	(+ 91 22) 4009 4400
3.	IIFL Securities Limited	mediassist.ipo@iiflcap.com	(+ 91 22) 4646 4600
4.	SBI Capital Markets Limited	mhsl.ipo@sbicaps.com	(+ 91 22) 2217 8300

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Chief Compliance Officer and Company Secretary. For details of the Chief Compliance Officer and Company Secretary, see “**General Information**” on page 59.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the Offer document except in case of oversubscription for the purpose of rounding off to make allotment, in



consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Payment into Escrow Account for Anchor Investors**

Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

- (i) In case of resident Anchor Investors: “[●]”
- (ii) In case of non-resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections of Bid Amounts from Anchor Investors.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among the Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated April 3, 2018 among NSDL, the Company and Registrar to the Offer.
- Agreement dated February 8, 2018 among CDSL, the Company and Registrar to the Offer.

### **Undertakings by our Company**

Our Company undertakes the following:

- (i) That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (ii) If Allotment is not made within the prescribed time under applicable law, application monies will be refunded/unblocked in the ASBA Accounts within four days from the Bid/ Offer Closing Date or such other time as may be specified by SEBI, failing which our Company shall pay interest prescribed under the Companies Act 2013 and the SEBI ICDR Regulations for the delayed period;
- (iii) That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/ Offer Closing Date or such other timeline as may be prescribed by SEBI;
- (iv) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by the Company;
- (v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details

of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- (vi) That, except for any allotment of Equity Shares to employees of our Company pursuant to exercise of stock options granted under the MAHS ESOP Scheme 2013, no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
- (vii) That if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- (viii) That if our Company withdraws the Offer after the Bid/ Offer Closing Date, our Company shall be required to file a fresh draft offer document with the SEBI, in the event our Company subsequently decides to proceed with the Offer;
- (ix) That the Allotment Advice/refund confirmation to Eligible NRIs shall be dispatched within specified time;
- (x) That adequate arrangements shall be made to collect all Bid cum Application Forms; and
- (xi) That our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

#### **Undertakings by the Selling Shareholders**

Each Selling Shareholder severally undertakes and/ or confirms the following:

- (i) The Equity Shares offered pursuant to the Offer for Sale have been held by the Selling Shareholders for a period of at least one year prior to the date of the Draft Red Herring Prospectus, and are free and clear of any liens or encumbrances and, to the extent that the Equity Shares being offered have resulted from a bonus issue, the bonus issue has been on equity shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;
- (ii) The Selling Shareholders are the legal and beneficial owners of and has full title to their respective Equity Shares being offered through the Offer for Sale;
- (iii) The Selling Shareholders will not have recourse to the proceeds of the Offer for Sale, until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;
- (iv) The Selling Shareholders will not sell, transfer, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered in the Offer for Sale;
- (v) The Selling Shareholders shall deposit the Equity Shares offered for sale by them in the Offer in an escrow demat account in accordance with the Share Escrow Agreement;
- (vi) The Selling Shareholder shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- (vii) The Selling Shareholders will take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer for Sale are available for transfer in the Offer for Sale; and
- (viii) It will provide assistance to the Company, as may be reasonably required and necessary in accordance with applicable laws, for the completion of the necessary formalities in relation to the Equity Shares

being offered by it under the Offer for Sale.

The Selling Shareholders have authorized the Chief Compliance Officer and Company Secretary of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

**Utilisation of Offer Proceeds**

Our Company and the Selling Shareholders, severally and not jointly, specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy (defined herein below) and FEMA has been entrusted to the concerned ministries / departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India (“**DPIIT**”) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the “**Consolidated FDI Policy**”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

All investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Offer Procedure – Bids by Eligible NRIs*” and “*Issue Procedure – Bids by FPIs*” on pages 328 and 329 respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

For further details, see “*Offer Procedure*” on page 325.

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur; and (ii) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to Section 4(a) of the U.S. Securities Act.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association are detailed below.*

### **Applicability of Table F**

The regulations contained in Table 'F' in Schedule I of the Companies Act 2013, as are applicable to a public company limited by shares, shall apply to the Company so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof and only to the extent that there is no specific provision in these regulations. In case of any conflict between the provisions of these Articles and Table 'F', the provisions of these Articles shall prevail. The following regulations viz. 20(a), 27, 48 and 76 of Table 'F' in the said Schedule shall not apply to the Company.

### **Public Company**

Article 3 provides that “The Company is a public company within the meaning of Section 2(71) of the Act and accordingly:

- (a) is not a private company;
- (b) has a minimum paid-up share capital as per Law;
- (c) has minimum of seven (7) members. Also, where two (2) or more persons hold one (1) or more shares in the Company jointly, they shall, for purposes of this provision, be treated as a single Member.”

### **Share Capital and Shares**

Article 4 provides that “The Authorized Share Capital of the Company shall be as contained in the 5<sup>th</sup> Clause of the Memorandum of Association of the Company, as may be amended from time to time by the Company in accordance with the provisions of the Companies Act, 2013.

The Company has power from time to time to increase or reduce its capital and to divide the Shares into several classes and to attach thereto, respectively, such preferential, cumulative, convertible, guarantee, qualified or other special rights, privileges, conditions or restrictions, as may be determined by or in accordance with these presents and to vary, modify or abrogate any such right, privileges or conditions or restrictions in such manner as may for the time being be permitted by these presents or the said Act or any other legislative provisions for the time being in force in that behalf.”

Article 5 provides that “The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

- (i) Equity share capital:
  - a. with voting rights; and / or
  - b. with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
- (ii) Preference share capital.”

Article 6 provides that “Subject to the provisions of applicable provisions of the Act and these Articles, the Shares in the Capital of the Company for the time being (including any shares forming a part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of the Act) at a discount and at such time as they may from time to time think fit and proper, and with the sanction of the Company in the General Meeting, to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the Capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of

its business and any shares which may so be allotted may be issued as fully paid up shares, and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.”

Article 7 provides that “Unless where the shares are issued in dematerialized form, every Member or allottee of Shares shall be entitled, without payment, to receive within two months after incorporation, in case of subscribers to the Memorandum or within two months from the date of allotment or within one month after the application for the registration of transfer, transmission, subdivision, consolidation or renewal of any of its shares or within such other period as the conditions of issue shall be provided, -

- (a) One certificate for all his shares without payment of any charges; or
- (b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be signed by 2 (two) Directors or by a Director and the Company Secretary, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder.

Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. Where the securities are dealt with in a depository, the Company shall intimate the details of allotment of securities to depository immediately on allotment of such securities. Furthermore, the Company shall comply with the applicable provisions of the Act.

A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving or other metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.”

Article 8 provides that “If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the Company may deem adequate, a new certificate in lieu thereof to the party entitled to such lost or destroyed certificate shall be given. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 20 for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

Provided that, notwithstanding what is stated above, the Directors shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or the rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act or rules applicable in this behalf.”

Article 9 provides that “Subject to the applicable provisions of the Act and other Applicable Laws, any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.”

Article 10 provides that “Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any

fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.”

Article 11 provides that “The Board may allot and issue shares in the share capital of the Company on payment or part payment for any property, goods or machinery supplied, sold or transferred and/or for services rendered to the Company in or about the formation or promotion of the Company or in the conduct of its business or for any other consideration either in cash or otherwise than in cash as the Board may deem fit and proper and any shares so allotted may be issued as fully paid up or partly paid up shares as the Board may decide.”

Article 12 provides that “Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.”

Article 13 provides that,

- (i) “If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class, as prescribed under the Act.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.”

Article 14 provides that “The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.”

Article 15 provides that “Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.”

Article 16 provides that “Subject to the provisions of the Act and other applicable provisions of law, the Company may with the approval of the shareholders by a special resolution in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.”

Article 17 provides that “The Directors may with the sanction of an ordinary resolution of the Company increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.”

Article 18 provides that “Subject to the provisions of section 61 of the Companies Act, 2013, the Company may, by ordinary resolution, —

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.”

Article 19 provides that “Where shares are converted into stock—

- (i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (iii) such of these regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.”

Article 20 provides that “The Company may, by special resolution, reduce in any manner and with and subject to, any incident authorised and consent required by law, -

- (a) its share capital
- (b) any capital redemption reserve account
- (c) any share premium account.”

Article 21 provides that “Subject to the provisions of the Companies Act, 2013 and Rules framed thereunder and other applicable laws, the Company at its discretion, may issue and allot securities to applicants or investors on a preferential basis through private placement and rights issue.”

Article 22 provides that “Further issue of shares:

- (1) Where at any time a Company having a share capital proposes to increase its subscribed capital by the issue of further shares, either out of the unissued capital or out of the increased share capital then:
  - a. Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as near as circumstances admit, to the capital paid-up on those shares at the date;
  - b. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than fifteen days and not exceeding thirty days from the date of the offer and the offer, if not accepted, will be deemed to have been declined;
  - c. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any Member may renounce the shares offered to him;
  - d. After the expiry of the time specified in the aforesaid notice, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner which is not dis-advantageous to the shareholders and the company.
- (2) Notwithstanding anything contained in subclause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.



- a. employees under a scheme of employees' stock option scheme, if authorized by a Special Resolution passed by the Company and subject to such conditions, as may be prescribed, or
  - b. to any persons if it is authorized by a Special resolution passed by the Company, whether or not those persons include the persons referred to in of sub-clause (1) hereof and clause (a) of sub-clause (2) hereof, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, as per the applicable provision and subject to such conditions as may be prescribed.
- (3) Nothing in clause 22 hereof shall be deemed:
- a. To extend the time within which the offer should be accepted; or
  - b. To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company:
- a. To convert such debentures or loans into shares in the Company; or
  - b. To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- a. Either has been approved by the Central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- b. In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of debentures or raising of the loans.”

Article 23 provides that “Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by way of a special resolution.”

#### **Dematerialization of Securities**

Article 24 provides that “Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository as permitted under the law. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.”

Article 25 provides that “Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.”

Article 26 provides that “In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.

Provided the transfer of Shares has been prior approved by the Board in accordance with article 24.

Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act shall apply so far as applicable.”

Article 27 provides that “Every Depository shall at such intervals and in such manner as may be specified in its bye-laws furnish to the Company, information about the transfer of securities in the name of the Beneficial Owners.”

Article 28 provides that “Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.”

### **Lien**

Article 29 provides that,

- (i) “The Company shall have a first and paramount lien—
  - (a) on every share (not being a fully paid share) for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

Provided further that in respect of any partly paid shares/ debentures of our Company, the lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares/ debentures.

- (ii) The Company’s lien, if any, on a share shall extend to all dividends or interest payable, as the case may be and bonuses declared from time to time in respect of such shares.
- (iii) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company’ lien.”

Article 30 provides that “The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made:

- a. unless a sum in respect of which the lien exists is presently payable; or
- b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency or otherwise.”

Article 31 provides that,

- (i) “To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.”

Article 32 provides that “The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

- (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.”

Article 33 provides that “In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company’s lien shall prevail notwithstanding that it has received notice of any such claim.”

Article 34 provides that “The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.”

### **Calls on Shares**

Article 35 provides that,

- (i) “The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days’ notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- (iii) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.
- (iv) A call may be revoked or postponed at the discretion of the Board.”

Article 36 provides that “A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.”

Article 37 provides that “The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.”

Article 38 provides that,

- (i) “If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.”

Article 39 provides that,

- (i) “Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.”

Article 40 provides that “The Board:

- (i) may, if it thinks fit, subject to the applicable provisions of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (ii) The members shall not be entitled to any voting rights in respect of the moneys so paid by them until the same would but for such payment, become presently payable.
- (iii) the provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.”

Article 41 provides that “All calls shall be made on a uniform basis on all shares falling under the same class. Explanation: Shares of the same nominal value on which different amounts have been paid- up shall not be deemed to fall under the same class.”

Article 42 provides that “Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any share either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.”

Article 43 provides that “The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.”

### **Transfer of Shares**

Article 44 provides that,

- (i) “A common form of transfer shall be used and the instrument of transfer shall be in writing and all the provisions of the Companies Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and the registration thereof.
- (ii) The instrument of transfer of any share in the Company which is in physical form shall be executed by or on behalf of both the transferor and transferee.
- (iii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.”

Article 45 provides that “The Company shall not register a transfer of shares in, or debentures of the Company held in physical form unless a proper instrument of transfer in the form prescribed under the Act duly stamped

and executed in respect of only one class of shares/debentures by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificates relating to the shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer:

Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost or where the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit:

Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder or debenture holder any person to whom the right to any shares in, or debentures of, the Company has been transmitted by operation of law.”

Article 46 provides that “Subject to the provisions of sections 58 and 59 of the Companies Act, 2013 and section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a Member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.”

Article 47 provides that “A transfer of the shares or other interest in the Company of a deceased member thereof made by his legal representatives shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of the instrument of transfer.”

Article 48 provides that “Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the date of receipt of the notice.

For the purpose of above clause notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer, and shall be deemed to have been duly delivered upon the expiry of 7 days from the date of dispatch.”

Article 49 provides that “If the Company refuses to register the transfer of any share pursuant to these Articles, it shall within thirty days from the date on which the instrument of transfer was delivered to the Company send notice of refusal to the transferee and transferor. Provided that, the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused.”

Article 50 provides that “No transfer shall be made to a person of unsound mind. However, transfer of fully paid up shares can be made in the name of a minor if he is represented by his lawful guardian.”

Article 51 provides that “All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.”

Article 52 provides that “The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares, made or purporting to be made by any apparent legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice, or referred thereto in any book of the Company, and the Company shall not be bound or required to regard to attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, thought it may have been entered or referred to

in some book of the Company; but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Directors shall so think fit.”

Article 53 provides that “The Company may, after giving appropriate previous notice of not less than seven days’ close the register of members or the register of debentureholders or other security holders for any period or periods not exceeding in the whole forty-five days in each year, but not exceeding thirty days at any one time.”

Article 54 provides that “The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.”

### **Transmission of Shares**

Article 55 provides that,

- (i) “On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.”

Article 56 provides that,

- (i) “Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
  - (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.”

Article 57 provides that “The Company shall be fully indemnified by such person from all liability, if any, for actions taken by the Board to give effect to such registration or transfer.

- (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.”

Article 58 provides that “A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.”

Article 59 provides that “The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.”

Article 60 provides that “The instrument of transfer shall be in common form and in writing and all provision of Section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.”

Article 61 provides that “No fee shall be charged for registration of transfer, or for effecting transmission, or for registering any probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.”

### **Forfeiture of Shares**

Article 62 provides that “If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.”

Article 63 provides that “The notice aforesaid shall—

- (a) name a further day (not being earlier than the expiry of thirty days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.”

Article 64 provides that “If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.”

Article 65 provides that,

- (i) “A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.”

Article 66 provides that,

- (i) “A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.”

Article 67 provides that,

- (i) “A duly verified declaration in writing that the declaring is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.”

Article 68 provides that “Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser’s name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.”

Article 69 provides that “Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.”

Article 70 provides that “The Board may, subject to the provisions of the Companies Act, 2013, accept a surrender of the share certificate for any forfeited share from or by any member desirous of surrendering them on such terms as they think fit.”

Article 71 provides that “The provisions of these regulations as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.”

### **Joint Holders**

Article 72 provides that “Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:

- (i) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.
- (ii) On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
- (iii) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
- (iv) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint holders.
- (v) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares
- (vi) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.
- (vii) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.”

### **Capitalisation of Profits**



Article 73 provides that,

- (i) “The Company in general meeting may, upon the recommendation of the Board, resolve—
  - a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
  - a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
  - d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
  - e. The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.”

Article 74 provides that,

- (i) “Whenever such a resolution as aforesaid shall have been passed, the Board shall:
  - a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - b. generally to do all acts and things required to give effect thereto.
- (ii) The Board shall have power:
  - a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.”

### **Buy-Back of Shares**

Article 75 provides that “Notwithstanding anything contained in these Articles but subject to the provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.”

### **General Meetings**

Article 76 provides that “All general meetings other than annual general meeting shall be called Extraordinary General Meetings.”

Article 77 provides that,

- (i) “The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.”

### **Proceedings at General Meetings**

Article 78 provides that,

- (i) “No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Companies Act, 2013.”

Article 79 provides that “The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.”

Article 80 provides that “No business shall be discussed or transacted at any general meeting whilst the chair is vacant, except election of Chairman.”

Article 81 provides that “If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.”

Article 82 provides that “If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.”

Article 83 provides that “The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting.”

Article 84 provides that “On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairman shall have a second or casting vote.”

Article 85 provides that,

- (i) “The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and making entries thereof within thirty days of the conclusion of every such meeting or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.
- (ii) There shall not be included in the minutes any matter which, in the opinion of the Chairman of the meeting:
  - a. is, or could reasonably be regarded, as defamatory of any person; or
  - b. is irrelevant or immaterial to the proceedings; or
  - c. is detrimental to the interests of the Company.
- (iii) The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.

- (iv) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.”

Article 86 provides that,

- (i) “The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:
  - a. be kept at the registered office of the Company; and
  - b. be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days.
- (ii) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (i) above.”

### **Adjournment of Meeting**

Article 87 provides that,

- (i) “The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.”

### **Voting Rights**

Article 88 provides that “Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.”

Article 89 provides that “A member may exercise his vote at a meeting by electronic means in accordance with section 108 of the Companies Act, 2013 and shall vote only once.”

Article 90 provides that “In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. And, seniority shall be determined by the order in which the names stand in the register of members.”

Article 91 provides that “A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his nominee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.”

Article 92 provides that “Where a poll is to be taken, the Chairman of the meeting shall appoint such numbers of persons, as he deems necessary to scrutinise the poll process and votes given on the poll and to report thereon to him;”

Article 93 provides that “The Chairman shall have power, at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause;”

Article 94 provides that “A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.”

Article 95 provides that “Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.”

Article 96 provides that “Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.”

Article 97 provides that “No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.”

Article 98 provides that “A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.”

Article 99 provides that,

- (i) “No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.”

Article 100 provides that “Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.”

### **Proxy**

Article 101 provides that “Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.”

Article 102 provides that “The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.”

Article 103 provides that “An instrument appointing a proxy shall be in the form as prescribed in the rules made under the Act.”

Article 104 provides that “A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.”

## **Board of Directors**

Article 105 provides that “Unless otherwise determined by a General Meeting, the number of Directors shall not be less than three and not more than fifteen, including all types of directors. The first Directors of the Company are:

1. Mr. A. Suryanarayanan, who shall be a permanent Director of the Company till his death or refusal/inability to act expressed in writing addressed to the Company.
2. Mr. K. Ravinarayanan, who shall be a permanent Director of the Company till his death or refusal /inability to act expressed in writing addressed to the Company.
3. Mr. Partha Pratim Roy, as a nominee of Medybiz.com Private Limited.”

Article 106 provides that “The appointment and retirement including by rotation of Directors shall be in accordance with the applicable provisions of the Act and the Rules thereunder.”

Article 107 provides that “The same individual may, at the same time, be appointed as the Chairman of the Company as well as the Managing Director or Chief Executive Officer of the Company.”

Article 108 provides that “The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

- (i) The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or in connection with the business of the Company.”

Article 109 provides that “The fees payable to the Director for attending the meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed under the Act or the Rules.”

Article 110 provides that “All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.”

Article 111 provides that “Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.”

Article 112 provides that,

- (i) “Subject to the provisions of section 149 of the Companies Act, 2013, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.”

Article 113 provides that “The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.”

Article 114 provides that “An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.”

Article 115 provides that “If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

- (i) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.
- (ii) The Director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.”

### **Powers of Board**

Article 116 provides that “The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum of Association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.”

Article 117 provides that “All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.”

Article 118 provides that “The Directors may, from time to time, at their discretion, raise or borrow, or secure the payment of, any sum or sums of money for the purposes of the Company;

Provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not at any time except with the consent of the Company by way of special resolution in general meeting exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set part for any specific purpose.”

Article 119 provides that “The Directors, with shareholders’ consent where required by the Act and Rules, may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of securities including debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.”

Article 120 provides that,

- (i) “The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) The Chairman or any one Director with the previous consent of the Chairman may, or the company secretary on the direction of the Chairman shall, at any time summon a meeting of the Board.”

Article 121 provides that “The quorum for a Board meeting shall be as provided in the Act.”

Article 122 provides that “If a meeting of the Board cannot be held for want of quorum, then the meeting shall stand adjourned to such day, time and place as the Director or Directors present for the meeting may fix.”

Article 123 provides that “Subject to the provisions of the Act, question arising at any meeting shall be decided by a majority of votes, each Director having one vote, and in case of an equality of votes the Chairman shall have a second or casting vote.”

Article 124 provides that “The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.”

Article 125 provides that “The Board may from time to time appoint one of their body as Chairman and determine the period for which he is to hold such office. The positions, duties and responsibilities of the Chairman (whether whole-time or not and notwithstanding the fact that his appointment may be in the designation of a whole-time Director under the Act) & the Chief Executive Officer (by whatever designation described) shall be accordingly defined by the Board. The Board may authorize maintenance of a Chairman’s Office at Company’s expense to support him in the performance of his duties.

Subject to the provisions of the Act, these Articles and of any Contract between him and the Company the remuneration of the Chairman (notwithstanding the fact that his appointment may be in the designation of a whole-time Director under the Act) may from time to time be fixed by the Directors, subject to the approval of the Company in General Meeting, and may be by way of fixed monthly payments, commission on profits of the Company; any or all of these modes or any other mode not expressly prohibited in the Act.

If the Chairman has notified the Company of his inability to be present at a Board meeting or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman or if no such Chairman has been appointed, the Directors present may choose one of their body to act as the Chairman of the meeting.”

Article 126 provides that,

- (i) “The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.”

Article 127 provides that,

- (i) “A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.”

Article 128 provides that,

- (i) “A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.”

Article 129 provides that “All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.”

Article 130 provides that “Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of

the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.”

### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

Article 131 provides that “Subject to the provisions of the Companies Act, 2013,-

- (i) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of resolutions of the Board;
- (ii) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.”

### **Managing Director**

Article 132 provides that,

- (i) “The Directors may from time to time appoint one or more of their body to be the Managing Director of the Company, in accordance with the provisions of the Act and the Rules.
- (ii) A Managing Director so appointed shall exercise the powers and authorities conferred upon him by an agreement entered into between him and the Company and/or by a Resolution of the Board and be subject to the obligations and restrictions imposed upon him thereby or by the Act.”

### **Registers**

Article 133 provides that “The Company shall keep and maintain at its registered office or at such other place as permitted under the Act or the Rules thereunder, all statutory registers and annual returns for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.”

Article 134 provides that,

- (i) “Any Member, Beneficial Owner, Debenture or other Security holder or any other person entitled to inspection of any documents/registers/records required to be maintained by the Company under the provisions of the Act or the Rules thereunder or any previous Company Law or to any copy thereof or extract therefrom shall be entitled to the same upon payment of such fee as may be determined by the Board from time to time and in absence of such determination, a fee of ₹10 per page or the maximum fees fixed by the Act or the Rules thereunder, whichever is lower.
- (ii) A copy of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent to a member requesting for the same within seven days thereof upon payment of such fees as may be prescribed under the Act or the Rules or ₹ 10/- for each copy thereof.”

### **The Seal**

Article 135 provides that “The Company may if required under the Act have a Common Seal in which case the Directors shall provide for the safe custody thereof. The Seal shall not be affixed to any instrument except:

- (i) by the authority of a Resolution of the Board of Directors or a Committee of the Board authorized in that behalf, and
- (ii) in the presence of at least one Director and the Secretary of the Company or such other person as the Board may appoint for the purpose, who shall sign every instrument to which the Seal is so affixed. Such signatures shall be conclusive evidence of the fact that the seal has been properly affixed.”



## **Dividends and Reserve**

Article 136 provides that “The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.”

Article 137 provides that “Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and as such times as it may think fit.

- (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.”

Article 138 provides that,

- (i) “Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.”

Article 139 provides that “The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.”

Article 140 provides that “The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.”

Article 141 provides that “Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.”

Article 142 provides that “Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.”

Article 143 provides that “Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank and all the other provisions of Section 124 of the Act in respect of any such unpaid dividend or any part thereof shall be applicable, observed, performed and complied with.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under section 125 of the Act. Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed.

No unclaimed or unpaid dividend shall be forfeited by the Board until the claim becomes barred by Applicable Laws.”

Article 144 provides that “No dividend shall bear interest against the Company.

Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under section 125 of the Act. Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed.

No unclaimed or unpaid dividend shall be forfeited by the Board until the claim becomes barred by Applicable Laws.”

### **Accounts**

Article 145 provides that “The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.”

Article 146 provides that “No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board.”

### **Winding Up**

Article 147 provides that “Subject to the provisions of Chapter XX of the Companies Act, 2013 and rules made thereunder or Section 59 of The Insolvency and Bankruptcy Code, 2016 and Insolvency and Bankruptcy Board Of India (Voluntary Liquidation Process) Regulations, 2017—

- (i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.”

### **Indemnity and Insurance**

Article 148 provides that “Subject to the provisions of the Act, every Director, Managing Director, Whole-Time Director, Manager, Company Secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, Managing Director, Whole-Time Director, Manager, Company Secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, Manager, Company Secretary or officer or in any way in the discharge of his duties in such capacity including expenses.”

Article 149 provides that “Subject as aforesaid, every Director, Managing Director, Whole-Time Director, Manager, Company Secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.”

Article 150 provides that “The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.”

### **General Power**

Article 151 provides that “Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.”

### **Secrecy**

Article 152 provides that “Subject to the provisions of the Act, no member shall be entitled to require discovery of any information respecting any detail of the Company’s trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors it may be inexpedient in the interest of the Company to communicate to the public.”

## SECTION IX – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Red Herring Prospectus) which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus filed with the Registrar of Companies, and also the documents for inspection referred to hereunder may be inspected at our Registered and Corporate Office, from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such documents or agreements executed after the Bid/Offer Closing Date).

#### *Material Contracts to the Offer*

1. Offer agreement dated May 10, 2021 entered into among our Company, the Selling Shareholders and the BRLMs;
2. Registrar agreement dated May 7, 2021 entered into among our Company, the Selling Shareholders and the Registrar to the Offer;
3. Escrow and sponsor bank agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, Banker(s) to the Offer and the Registrar to the Offer;
4. Share escrow agreement dated [●] entered into among the Selling Shareholders, our Company and the Share Escrow Agent;
5. Syndicate Agreement dated [●] entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer; and
6. Underwriting agreement dated [●] entered into among our Company, the Selling Shareholders and the members of the Syndicate.

#### *Material Documents*

1. Certified copies of our Memorandum of Association and Articles of Association;
2. Certificate of incorporation dated June 7, 2000, fresh certificate of incorporation dated November 21, 2012 issued pursuant to change of name of the company and another fresh certificate of incorporation dated March 20, 2018 issued consequent upon conversion into a public company;
3. Board resolution of our Company, dated March 5, 2021, authorizing the Offer and other related matters;
4. Consent letters of each of the Selling Shareholders authorizing their respective portions of the Offer for Sale;
5. MAHS ESOP Scheme 2013;
6. Business transfer agreement dated May 27, 2017 executed by and amongst, Medicare Insurance TPA Services (India) Private Limited, Medi Assist TPA and the promoters of Medicare TPA;
7. Scheme of amalgamation between Medi Assist TPA and DHS, approved by the Regional Director - Hyderabad, Ministry of Corporate Affairs pursuant to an order dated April 6, 2018;
8. Scheme of amalgamation between our Company and MSPL, approved by the Regional Director - Hyderabad, Ministry of Corporate Affairs pursuant to an order dated November 15, 2019;
9. Scheme of arrangement between our Company and Mandala, approved by the National Company Law Tribunal, Bengaluru Bench pursuant to an order dated November 4, 2020;
10. Master license agreement dated December 20, 2019 executed by and amongst our Company, Mandala

and Phasorz;

11. Transition services agreement dated December 20, 2019 executed by and amongst our Company and Phasorz;
12. Merger implementation agreement dated December 20, 2019 executed by and amongst our Company, Phasorz, Mandala and certain shareholders of our Company and Phasorz;
13. Trademarks assignment agreement dated December 20, 2019 executed by and amongst our Company, Mandala and Phasorz;
14. Share subscription and share purchase agreement dated September 25, 2013 executed by and amongst Investcorp Private Equity Fund I, Bessemer Health, Dr. Vikram Jit Singh Chhatwal, Prashant Jhaveri, Manoj Balaji, Medimatter Health and our Company, read with subsequent amendment agreements and letter agreement;
15. Other shareholders' agreements entered into between our Company, Bessemer Health, Dr. Vikram Jit Singh Chhatwal, Medimatter Health and certain other Shareholders of our Company, read with subsequent letter agreements as given below:

Sr. No.	Name of the shareholder	Date of the agreement	Date of letter agreement
1.	Rajan Mehra	May 29, 2012	April 14, 2021
2.	Ranjan Sanghi jointly with Jayashree Sanghi	May 29, 2012	April 14, 2021
3.	Hemant Mandal	May 29, 2012	April 14, 2021
4.	Odyssey India Advisory Private Limited	May 29, 2012	April 14, 2021
5.	Rajiv Agarwal	May 30, 2012	April 14, 2021
6.	Rakesh Jhunjunwala	May 18, 2012	April 19, 2021
7.	Vijay Jain jointly with Kajal Kapadia Jain	May 30, 2012	April 14, 2021
8.	Sanjay Kalra jointly with Jyotika Kapoor	May 30, 2012	April 14, 2021
9.	Vivek Pandit	May 29, 2012	April 14, 2021
10.	Rahul Khanna	May 29, 2012	April 14, 2021
11.	Amit Kumar Patni	May 29, 2012	April 14, 2021
12.	Keshav Sanghi jointly with Vinita Sanghi	July 10, 2012	April 14, 2021
13.	Jaivardhan Sinha jointly with Sonia Deb	July 18, 2012	April 14, 2021
14.	Arihant Patni	May 29, 2012	April 14, 2021
15.	Vinay Sangi jointly with Seena Sanghi	May 29, 2012	April 14, 2021
16.	Project Automobiles (Bombay) Private Limited	May 29, 2012	April 14, 2021
17.	Probir Rao	May 25, 2012	April 14, 2021
18.	P. Shankar Rao jointly with P. Neena Rao	May 29, 2012	April 14, 2021
19.	Pramod Ahuja jointly with Jyoti Ahuja	May 29, 2012	April 14, 2021
20.	Jyoti Ahuja jointly with Pramod Ahuja	May 29, 2012	April 14, 2021

16. Share purchase agreement dated December 20, 2010 executed by and amongst Reliance Capital, Limited, Medybiz Private Limited, Medimatter Health and our Company;
17. Share purchase agreement dated December 21, 2010 executed by and amongst our Company, Reliance Health Ventures Limited and Medi Assist TPA;
18. Share purchase agreement dated May 27, 2011 executed by and amongst our Company, Nadathur Estates Private Limited and Medi Assist TPA;
19. Investment agreement dated December 27, 2019 executed by and amongst our Company, Buddhimed, Dr. Ajay Bakshi and Dr. Rohit Gupta
20. Share Purchase Agreement dated March 30, 2021 executed by and amongst our Company, IHX Private Limited and Buddhimed;
21. Offer to Purchase letter dated December 21, 2020 executed by our Company;

22. Cost reimbursement agreement dated April 30, 2021 executed by and amongst our Company, Dr. Vikram Jit Singh Chhatwal, Medimatter Health, BICH-II, Investcorp Private Equity Fund I, Bessemer Health and Other Selling Shareholders;
23. Go to market agreement dated December 20, 2019 executed by and amongst our Company, Mandala and Phasorz;
24. Resolution of our Board dated May 8, 2021 approving the DRHP;
25. Copies of our annual reports for the last three Fiscals;
26. Examination report of the Statutory Auditors, B S R & Co. LLP, Chartered Accountants, on our Restated Financial Statements dated May 8, 2021 included in this Draft Red Herring Prospectus;
27. Consent from the Statutory Auditors namely, to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations and as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in their capacity as the Statutory Auditors and in respect of their examination report dated May 8, 2021 on our Restated Financial Statements and their report dated May 8, 2021 on the statement of special tax benefits included in this Draft Red Herring Prospectus;
28. The statement of special tax benefits dated May 8, 2021 from the Statutory Auditors included in this Draft Red Herring Prospectus;
29. Consents of bankers to our Company, the BRLMs, Registrar to the Offer, F&S, Banker(s) to the Offer, legal counsels, Directors and Chief Compliance Officer and Company Secretary to act in their respective capacities;
30. Industry report titled “*Indian Health Benefits Administration and Health Management Services Market Report*” dated May 2021 from F&S;
31. In-principle listing approvals dated [●] and [●], from BSE and NSE, respectively;
32. Tripartite agreement dated April 3, 2018 among our Company, NSDL and Registrar to the Offer;
33. Tripartite agreement dated February 8, 2018 among our Company, CDSL and the Registrar to the Offer;
34. Due diligence certificate to SEBI from the BRLMs dated [●]; and
35. Final observation letter dated [●] issued by SEBI (Ref. No. [●] dated [●]).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

I hereby certify and 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 Securities and Exchange Board of India, 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 Red Herring Prospectus 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. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Dr. Vikram Jit Singh Chhatwal**  
(Chairman and Whole-time Director)

**Date:** May 10, 2021

**Place:** Bangalore

## **DECLARATION**

I hereby certify and 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 Securities and Exchange Board of India, 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 Red Herring Prospectus 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. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Satish V.N. Gidugu**

(Whole-time Director and Chief Executive Officer)

**Date:** May 10, 2021

**Place:** Bangalore



## **DECLARATION**

I hereby certify and 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 Securities and Exchange Board of India, 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 Red Herring Prospectus 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. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Vishal Gupta**

(Non-Executive Nominee Director)

**Date:** May 10, 2021

**Place:** Bangalore

## **DECLARATION**

I hereby certify and 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 Securities and Exchange Board of India, 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 Red Herring Prospectus 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. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Gaurav Sharma**

(Non-Executive Nominee Director)

**Date:** May 10, 2021

**Place:** New Delhi

## **DECLARATION**

I hereby certify and 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 Securities and Exchange Board of India, 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 Red Herring Prospectus 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. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Himani Kapadia**  
(Independent Director)

**Date:** May 10, 2021

**Place:** Mumbai

## **DECLARATION**

I hereby certify and 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 Securities and Exchange Board of India, 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 Red Herring Prospectus 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. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Gopalan Srinivasan**  
(Independent Director)

**Date:** May 10, 2021

**Place:** Pune

## **DECLARATION**

I hereby certify and 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 Securities and Exchange Board of India, 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 Red Herring Prospectus 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. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Anil Chanana**  
(Independent Director)

**Date:** May 10, 2021

**Place:** Gurgaon

## **DECLARATION**

I hereby certify and 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 Securities and Exchange Board of India, 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 Red Herring Prospectus 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. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Dr. Ritu Niraj Anand**  
(Independent Director)

**Date:** May 10, 2021

**Place:** Mumbai

## **DECLARATION**

I hereby certify and 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 Securities and Exchange Board of India, 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 Red Herring Prospectus 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. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Ananda Mukerji**  
(Independent Director)

**Date:** May 10, 2021

**Place:** Mumbai

## **DECLARATION**

I hereby certify and 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 Securities and Exchange Board of India, 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 Red Herring Prospectus 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. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**Mathew George**  
(Chief Financial Officer)

**Date:** May 10, 2021

**Place:** Bangalore



**DECLARATION BY DR. VIKRAM JIT SINGH CHHATWAL AS A PROMOTER SELLING  
SHAREHOLDER**

I, Dr. Vikram Jit Singh Chhatwal, hereby certify that all statements, disclosures and undertakings made or confirmed by me about myself or in relation to the Equity Shares offered by me through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

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**Name:** Dr. Vikram Jit Singh Chhatwal

**Date:** May 10, 2021

**Place:** Bangalore

**DECLARATION BY MEDIMATTER HEALTH MANAGEMENT PRIVATE LIMITED AS A  
PROMOTER SELLING SHAREHOLDER**

Medimatter Health Management Private Limited hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus about it or in relation to itself and the Equity Shares offered by it in the Offer for Sale, are true and correct. Medimatter Health Management Private Limited assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

**For and on behalf of Medimatter Health Management Private Limited**

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**Name:** Satish V.N. Gidugu  
(Director)

**Date:** May 10, 2021

**Place:** Bangalore

**DECLARATION BY BESSEMER INDIA CAPITAL HOLDINGS II LTD AS A PROMOTER SELLING  
SHAREHOLDER**

Bessemer India Capital Holdings II Ltd hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus about it or in relation to itself and the Equity Shares offered by it in the Offer for Sale, are true and correct. Bessemer India Capital Holdings II Ltd assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

**For and on behalf of Bessemer India Capital Holdings II Ltd**

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**Name:** Salma Deenoo

**Place:** Mauritius

**Title:** Director

**DECLARATION BY BESSEMER HEALTH CAPITAL LLC AS AN INVESTOR SELLING  
SHAREHOLDER**

Bessemer Health Capital LLC hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus about it or in relation to itself and the Equity Shares offered by it in the Offer for Sale, are true and correct. Bessemer Health Capital LLC assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

**For and on behalf of Bessemer Health Capital LLC**

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**Name:** Salma Deenoo

**Place:** Mauritius

**Title:** Director

**DECLARATION BY INVESTCORP PRIVATE EQUITY FUND I (FORMERLY IDFC PRIVATE EQUITY FUND III) AS AN INVESTOR SELLING SHAREHOLDER**

Investcorp Private Equity Fund I, a unit scheme of Investcorp Infrastructure Fund 1 (the “Fund”) is being managed by Investcorp India Asset Managers Private Limited. IDBI Trusteeship Services Limited is the trustee for this Fund. The Fund was earlier known as IDFC Private Equity Fund III, a unit scheme of IDFC Infrastructure Fund 3. The Fund hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus about it or in relation to itself and the Equity Shares offered by it in the Offer for Sale, are true and correct. The Fund assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

**For and on behalf of the Fund**

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**Name:** Gaurav Sharma

**Date:** May 10, 2021

**Place:** New Delhi

## DECLARATION BY OTHER SELLING SHAREHOLDERS

We, Rajan Mehra, Amit Kumar Patni, Arihant Patni, Vinay Sanghi (jointly with Seena Sanghi), Project Automobiles (Bombay) Private Limited, P. Shankar Rao (jointly with P. Neena Rao), Pramod Ahuja (jointly with Jyoti Ahuja), Ranjan Sanghi (jointly with Jayashree Sanghi), Vivek Pandit and Jaivardhan Sinha (jointly with Sonia Deb), severally and not jointly, hereby certify that all statements, disclosures and undertakings made or confirmed by us about ourselves or in relation to the Equity Shares offered by us through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. We assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

**SIGNED BY SATISH V.N. GIDUGU AND MEGHA MATOO** (as the power of attorney holders for Rajan Mehra, Amit Kumar Patni, Arihant Patni, Vinay Sanghi (jointly with Seena Sanghi), Project Automobiles (Bombay) Private Limited, P. Shankar Rao (jointly with P. Neena Rao), Pramod Ahuja (jointly with Jyoti Ahuja), Ranjan Sanghi (jointly with Jayashree Sanghi), Vivek Pandit and Jaivardhan Sinha (jointly with Sonia Deb))

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**Name:** Satish V.N. Gidugu

**Date:** May 10, 2021

**Place:** Bangalore

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**Name:** Megha Matoo

**Date:** May 10, 2021

**Place:** Bangalore