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CHANDAN HEALTHCARE LIMITED

Corporate Identification Number: U24100GJ2010PLC061794

Our Company was incorporated as a public limited Company under the name “Chandan Healthcare Limited”, under the provisions of the Companies Act, 1956 and Certificate of Incorporation was issued by the Registrar of Companies, U.P. & Uttaranchal, Kanpur on September 03, 2003. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled “General Information” and “History and Certain Corporate Matters” beginning on page 69 and 181 respectively of the Draft Red Herring Prospectus.

Registered office and Corporate Office: Biotech Park, Sector G, Jankipuram, Kursi Road, Lucknow- 226021, Uttar Pradesh, India

Tel: +91 8429024430; **E-mail:** secretarial@chandan.co.in; **Website:** www.chandandiagnostic.com;

Contact Person: Rajeev Nain, Company Secretary and Compliance Officer; **Corporate Identification Number:** U85110UP2003PLC193493

PROMOTERS OF OUR COMPANY: AMARANTA HOLDINGS (INDIA) PRIVATE LIMITED, AMAR SINGH, ASMITA SINGH, ALOK SINGH, SHALEEN SOLANKI, VIJAY SINGH AND VINAY LAMBA

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JANUARY 10, 2025 NOTICE TO INVESTORS (THE “ADDENDUM”)

INITIAL PUBLIC OFFERING OF UP TO 68,99,936 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF CHANDAN HEALTHCARE LIMITED (“COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING UP TO ₹ [●] LAKHS COMPRISING A FRESH ISSUE OF UP TO 46,00,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS BY OUR COMPANY (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 22,99,936 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS (THE “OFFERED SHARES”) COMPRISING OF UP TO 17,54,936 EQUITY SHARES BY AMARANTA HOLDINGS (INDIA) PRIVATE LIMITED, UP TO 1,10,000 EQUITY SHARES BY JAGJEET SINGH KALSI, UP TO 1,00,000 EQUITY SHARES BY DEEPAK KUMAR SIROHI, UP TO 50,000 EQUITY SHARES BY AJAI SINGH, UP TO 50,000 EQUITY SHARES BY BIMLA SINGH, UP TO 50,000 EQUITY SHARES BY VIKAS LAMBA, UP TO 50,000 EQUITY SHARES BY ANCHAL SIROHI, UP TO 50,000 EQUITY SHARES BY HARI SHANKER DIXIT, UP TO 50,000 EQUITY SHARES BY SHITAL SINGH SOLANKI, UP TO 25,000 EQUITY SHARES BY VIKALP DIXIT AND UP TO 10,000 EQUITY SHARES BY BRAHM PRAKASH AGGREGATING UP TO ₹ [●] LAKHS (THE “SELLING SHAREHOLDERS” AND SUCH OFFER, THE “OFFER FOR SALE”) (THE “OFFER FOR SALE” AND TOGETHER WITH THE FRESH ISSUE, THE “OFFER”) OF WHICH [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”). THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹ [●] LAKHS, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) NOT EXCEEDING [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL (“EMPLOYEE RESERVATION PORTION”). THE OFFER, LESS EMPLOYEE RESERVATION AND MARKET MAKER RESERVATION, I.E. NET OFFER [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET OFFER”. OUR COMPANY AND THE SELLING SHAREHOLDERS MAY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, OFFER A DISCOUNT UP TO ₹ [●] OF THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION (“EMPLOYEE DISCOUNT”). THE OFFER AND THE NET OFFER WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE FULLY-DILUTED POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

Potential Bidders may note the following: “DEFINITIONS AND ABBREVIATIONS”, “SUMMARY OF OFFER DOCUMENT”, “RISK FACTORS”, “OBJECTS OF THE OFFER”, “OUR BUSINESS”, “OUR MANAGEMENT”, “OUR PROMOTERS AND PROMOTER GROUP”, “OUR SUBSIDIARIES”, “OUR GROUP COMPANIES”, “MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS”, “OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS” AND “GOVERNMENT AND OTHER KEY APPROVALS” have been updated in accordance with the suggestions made by NSE.

The below mentioned changes are to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the information included in the Draft Red Herring Prospectus will be suitably updated, including to the extent stated in this Addendum, as may be applicable in the Red Herring Prospectus and the Prospectus, as and when filed with the RoC and the Stock Exchange. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

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 (the “U.S. Securities Act”) or the law of any state of the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act (as defined in Regulation S under the U.S. Securities Act (“Regulation S”)) and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made. There will be no public offering of the Equity Shares in the United States.

Place: Lucknow

Date: January 10, 2025

For and on behalf of **Chandan Healthcare Limited**

Sd/-

Rajeev Nain

Company Secretary and Compliance Officer

BOOK RUNNING LEAD MANAGER

REGISTRAR TO THE OFFER



UNISTONE



UNISTONE CAPITAL PRIVATE LIMITED
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Email: chl.ipo@kfintech.com
Investor grievance email: einward.ris@kfintech.com
Contact Person: M Murali Krishna
Website: www.kfintech.com
SEBI Registration Number: INR000000221

BID/OFFER PERIOD

Anchor portion Opens/Closes on⁽¹⁾: [●] | Bid/Offer Opens on⁽¹⁾: [●] | Bid/Offer Closes on⁽²⁾: [●]

(1) Our Company, in consultation with the BRLM, 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.

(2) Our Company, in consultation with the BRLM, consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

(3) UPI mandate end time and date shall be at 5:00 PM on the Bid/Offer closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Offer Related Terms

Term	Description
Addendum	The addendum dated January 10, 2025 to the Draft Red Herring Prospectus.
Key Performance Indicators	Key factors that determine the performance of our Company.

SUMMARY OF OFFER DOCUMENT

PRIMARY BUSINESS OF THE COMPANY

We run a diagnostic network in North India with pathology and radiology testing services. As of August 31, 2024, we have one flagship laboratory, seven central laboratories, twenty-six satellite centres, more than three hundred collection centres and located in Jaipur and across Uttar Pradesh and Uttarakhand, with facilities in more than 15 cities and towns across Uttar Pradesh and more than 10 cities and towns in Uttarakhand. Out of our various laboratories, eight are National Accreditation Board for Testing and Calibration Laboratories (“**NABL**”) accredited while three of our diagnostic centres have National Accreditation Board for Hospitals & Healthcare Providers (“**NABH**”) accreditation. In Fiscal 2024 we carried out around 61.77 lakhs tests on about 15.64 lakh patients’ where we derived about 67.74% of the revenue from our operations in regions of Uttar Pradesh.

SECTION III- RISK FACTORS

1. Any interruptions at our flagship diagnostic centres may affect our ability to process diagnostic tests, which in turn may adversely affect our business, results of operations and financial condition.

Our flagship centre in Jankipuram, Lucknow, serves as the primary hub for our operations, conducting the majority of tests offered by our diagnostic network. In addition to walk-in patients, our flagship centre also receives test requests and related specimens from certain other diagnostic centres in our network.

The Lucknow Bench of the Allahabad High Court ordered the referral of a dispute concerning a 7,576 square feet land lease, originally from January 16, 2007, to January 15, 2022, to arbitration. The parties to the arbitration award were our company as the applicant, the licensee (the “**Applicant**”) and Biotech Park, Lucknow, (the “**Respondent**”) the Grantor. The conflict arose over a renewal lease agreement (“**Lease Agreement**”) after the contract expired, particularly due to a significant increase in the new circle rate and a legal termination notice from the grantor, despite no breach of the original lease deed.

Vide an award dated May 30, 2024 and the corrected arbitration award dated July 20, 2024 (the “**Arbitration award**”) pertaining to registered office over the conflict that arose for renewal of the lease agreement after the contract expired, particularly due to a significant increase in the new circle rate and a legal termination notice from the grantor, despite no breach of the original lease deed, the arbitrator directed the appointment of a valuer to assess the permanent structure within three months, with payment to be made within six months, and stipulated a nominal rent of ₹ 5 per square feet for the tenant, for one year and permitted the Company to continue with the possession of the permanent infrastructure to carry on the Business subject to improvised payment of rent. Furthermore, the sole arbitrator in the said matter had extended the period of the license for a minimum period of 5 years. After passing of this order neither party have filed a case against each other, so the matter stands to be disposed off. The conclusion highlights the importance of mutual agreement on valuation to secure a beneficial long-term lease, while noting the risks involved in potential relocation. Pursuant to the Arbitration Award, an application has been filed by the Respondent under section 34 of the Arbitration and Conciliation Act, 1996 read with section 10 (3) of the Commercial Courts Act, 2015 before the Commercial Court at Lucknow dated November 20, 2024 (“**Application**”), along with an application under section 34 (3) for of the Arbitration and Conciliation Act, 1996 for condonation of delay in filing of the Application. In the said Application, the Respondent prayed for setting-aside the impugned Arbitration Award and the corrected arbitration award inter alia, on the grounds that the award passed by the Sole Arbitrator is patently illegal, arbitrary, legally unsustainable, in violation of public policy of India and the said impugned Arbitration Award deals with a dispute not contemplated and not falling within the terms of claim submitted to Arbitration and the same contains decision of matters beyond the scope of claim submitted to the arbitration. Further an application for interim relief was also filed by the Applicant along with the Application to stay the operation, implementation and enforcement of the impugned Arbitration Award and the corrected arbitration award.

Any disruptions at this flagship centre- whether due to events like fires, natural disasters, or regulatory issues could severely impact our ability to deliver services, potentially leading to service suspensions. Although we have nearby centres to mitigate continuity risks, certain specialized tests are exclusively performed at our flagship location. The occurrence of such events could result in patient loss and significant cost increases for test processing, transport, and logistics, which may not be recoverable through patient fees. Any failure, malfunction, or destruction of our flagship centre could therefore have profound adverse effects on our business, operational outcomes, and financial stability.

We operate through 39 diagnostic centres, for conducting pathology specimen collection, basic radiology tests, and certain advanced radiology tests. Any disruptions or failures in operating these facilities, whether partial or complete, could significantly impact our business, operational outcomes, and financial health. Such incidents might lead to revenue loss, reduced customer satisfaction, and potential regulatory issues, emphasizing the critical importance of maintaining continuous and reliable

service delivery across all our diagnostic centres.

2. Our business and prospects may be adversely affected if we are unable to maintain and grow our brand name and brand image.

Since we derive a large portion of our revenues from the B2C segment (i.e. individual patients, who either walk into our diagnostics laboratories or our collection centres or use our home collection services), recognition of our brand and our reputation are critical for the success of our business and operations. Set out below are details of our revenue from operations generated from the B2C segment for the years indicated:

Segment	Fiscal					
	2024		2023		2022	
	Revenue from operations (₹ in Lakhs)	% of total revenue from operations	Revenue from operations (₹ in Lakhs)	% of total revenue from operations	Revenue from operations (₹ in Lakhs)	% of total revenue from operations
B2C	6,027.02	34.13%	4,339.87	31.70%	6,675.21	55.83%

As 34.13% of our revenues in Fiscal year 2024 are primarily derived from walk-in customers, our brand and reputation play a crucial role in the success of our business operations. The maintenance and enhancement of our brand name and image hinge on several factors: the quality, accuracy, and efficiency of our diagnostic tests; the turnaround time and satisfaction levels of our patients; the performance of our service network; as well as the successful introduction of new tests and services. Moreover, as we expand into new geographic markets within India and face increasing competition, the task of preserving and elevating our brand may prove to be both challenging and costly.

Our services are designed to detect early symptoms of diseases and support disease prevention by monitoring various health indicators. While we have not encountered significant errors in the past, users of our services are especially sensitive to any potential mistakes, unlike users of non-diagnostic products or services.

We train our medical personnel to deliver accurate and timely test results. However, delays or inaccuracies in our results, whether due to technology limitations, equipment issues, or misinterpretation by medical professionals, could lead to incorrect treatments, potentially harming patients and causing negative publicity that could damage our brand and reputation. Furthermore, errors in handling patient specimens, incorrect labelling, improper use of complex medical equipment, or inadequate specimen extraction causing harm to patients could compromise the accuracy of our test results. In such cases, we may be held liable under healthcare laws for actions or oversights by our employees, further impacting our brand and reputation. In the past three years, there have been no instances of such negligence, however we cannot assure that this will remain the case in future.

3. We are dependent on B2C and few other customers for a major part of our revenues. Further we do not enter long-term arrangements with our customers and any failure to continue our existing arrangements could adversely affect our business and results of operations.

We offer a comprehensive diagnostic network, that is in the business of selling of consumables like X-ray films, reagents for laboratory testing and other consumables necessary for healthcare operations and providing both pathology and radiology testing services. We sell the products mainly through our Subsidiary i.e. Chandan Pharmacy Limited, for more details relating to the sale of products, please refer “Our Business- Table set forth below is service wise bifurcation of our revenue” on page 159. Our revenue of operations is concentrated to B2C and few other customers in Fiscal 2024, 2023, and 2022 is set out below:

(₹ in lakhs, unless stated in %)

Category	For fiscal year 2024		For fiscal year 2023		For fiscal year 2022	
	Amount	(%)	Amount	(%)	Amount	(%)
Customer 1	5,946.82	33.68%	4,939.04	36.08%	3,594.30	30.06%
Walk-in Customers (B2C)	6,027.02	34.13%	4,339.87	31.70%	6,675.21	55.83%
Total	11,973.84	67.81%	9,278.91	67.78%	9,895.21	82.76%

We typically do not enter into long-term agreements with our customers, which significantly limits our ability to predict future revenues. The majority of our customer agreements are short-term, and there is no guarantee that our existing customers, whether corporate or walk-in, will continue to engage our services. Any substantial decline in the number of corporate clients or walk-in customers, non-renewal of contracts, or termination of existing customer relationships could materially and adversely affect our business, financial condition, and results of operations. In the past three years, there has not been any instance for such a decline in customers, however we cannot assure that the same shall continue in future. Additionally, in a competitive market, if our competitors offer more attractive incentives or terms, there is no assurance that our customers will remain associated with us. This uncertainty in maintaining our customer base, coupled with the lack of long-term contractual commitments, could pose a significant risk to our business stability and future revenue generation.

6. Our primary source of revenue is from our pathology and radiology services and our business may be adversely affected if these categories do not perform as well as expected.

We provide services of pathology and radiology. Out of this, the revenue contribution from these services accounted for a significant portion of our total revenue in the last three Financial Years i.e. 55.21% in FY 2024, 55.12% in FY 2023 and 51.43% in F.Y. 2022. In case of increased competition, pricing pressures within our top two categories or other factors, our revenue from these services may decline in the future. Any adverse developments with respect to the sale of services within our top two categories could adversely affect our revenue which in turn may have an adverse effect on our business, results of operations and financial condition. In the past three years, there has not been any instance for such a decline in revenue from these segments, however we cannot assure that the same shall continue in future. For further details, please refer to the chapter titled “*Our Business*” on page 157 of this Draft Red Herring Prospectus.

7. We are dependent on our Group Company for a significant part of our revenues. Further we have not entered into any long-term arrangements with our group company i.e. Chandan Hospital Limited and any failure to deliver the commitment could adversely affect our business and results of operations.

The company’s revenue is significantly reliant on a group company i.e. Chandan Hospital Limited, which accounts for 33.68%, 36.08% and 30.06% of our revenue from operations for the Fiscal Year 2024, 2023 and 2022, as per restated financial statements. This significant dependence exposes the company to risks that if the group company reduces their transactions with us or changing payment terms or there is any downsizing of the scale of our group company’s business or any deterioration of its financial conditions or prospects may result in a reduction in their expenditure on the goods/ services we provide. Further, there are a number of factors outside of our control that might result in the loss of the business, including changes in strategic priorities resulting in them exiting certain business segments and markets, regulatory pressures. Any negative changes in the group company’s financial stability, business strategies, or operational shifts- such as mergers, acquisitions, or restructuring—could have a substantial impact on the company’s revenue and overall financial performance. While we have not faced any instances of termination of relationship by our group company during the Fiscal Years 2024, 2023 and 2022, any failure to retain the business from our group company can adversely affect our business, results of operations and financial condition.

8. We rely on domestic suppliers for the supply of medical consumables particularly suppliers from Uttar Pradesh and any delay, interruption or reduction in such supply could adversely affect our business, results of operations, financial condition and cash flows.

We rely heavily on domestic third-party suppliers for the majority of our medical consumables, with a significant portion sourced from Uttar Pradesh. In Fiscal Years 2024, 2023, and 2022, we procured 92.79%, 94.15%, and 93.73% of our total purchases, respectively, from this state. The state-wise bifurcation of our medical consumable procurement is as follows:

State	For fiscal year 2024		For fiscal year 2023		For fiscal year 2022	
	Amount (₹ in lakhs)	(%)	Amount (₹ in lakhs)	(%)	Amount (₹ in lakhs)	(%)
Uttar Pradesh	8,284.34	92.79	6,479.09	94.15	5,905.54	93.73
Delhi	199.23	2.23	123.12	1.79	141.18	2.24
Uttarakhand	119.31	1.34	109.92	1.60	119.81	1.90
Tamil Nadu	113.69	1.27	22.85	0.33	32.54	0.52
Gujarat	82.81	0.93	36.48	0.53	40.00	0.63
Karnataka	31.73	0.36	48.01	0.70	-	-
Goa	29.63	0.33	-	-	-	-
Haryana	29.31	0.33	27.00	0.39	43.04	0.68
Maharashtra	16.99	0.19	33.56	0.49	17.36	0.28
Rajasthan	13.99	0.16	1.39	0.02	0.71	0.01
Dadra and Nagar Haveli & Daman and Diu	4.06	0.05	-	-	-	-
Telangana	1.68	0.02	-	-	-	-
Punjab	1.61	0.02	0.13	0.00	-	-
West Bengal	-	-	-	-	0.30	0.00
Total	8,928.39	100.00	6,881.56	100.00	6,300.47	100.00

Our success depends on the uninterrupted supply of medical consumables required for our diagnostic centres. We do not have long-term contractual arrangements with our suppliers and procure medical consumables through purchase orders entered into with our suppliers. Relying on a single state for medical consumables procurement exposes our company to regional risks that can significantly disrupt operations. Natural disasters, such as floods, earthquakes, or droughts can lead to supply chain interruptions. Additionally, political instability or changes in government policies, including taxes, labor laws, or trade restrictions, may cause unexpected delays or increased costs. The lack of diversification in sourcing exposes the company to these uncontrollable factors, leaving it vulnerable to disruptions without alternative supply options. Over the past three fiscal years, there have been no instances of such supply disruptions, however there can be no assurance that the same might continue in future.

9. Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.

The following table and notes set forth the principal components of our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets as at March 31, 2024, 2023 and 2022.

(₹ in Lakhs)

Particulars	Consolidated Figures for the year ended 31st March, 2024		Consolidated Figures for the year ended 31st March, 2023		Figures for the year ended 31st March, 2022	
	No of cases	Amount	No of cases	Amount	No of cases	Amount
Claims against the company not acknowledged as debts						
1) District consumer disputes redressal forum	11.00	64.98	11.00	75.18	11.00	75.18
2) State consumer disputes redressal commission	2.00	1.98	2.00	1.98	2.00	1.98
3) Labour court	6.00	28.52	5.00	28.41	5.00	28.41
4) District and session court	9.00	29.52	5.00	10.18	4.00	9.84
Direct tax matters	1.00	137.75	1.00	137.75	1.00	137.75
Guarantees						
Guarantee provided to the State Bank of India in relation to borrowings undertaken by Chandan Hospital Limited.	10.00	1,223.67	5.00	850.67	-	-
Guarantee provided to the State Bank of India in relation to borrowings undertaken by Chandan Pharmacy Limited.	1.00	227.76	1.00	159.37	-	-
Total	40.00	1,714.18	30.00	1,263.54	23.00	253.17

Chandan Healthcare Limited (“CHCL”) has provided the said corporate guarantee to Chandan Hospital Limited (“CHL”) which also has same promoters as of CHCL. CHL is also one of the major customer of CHCL and the common aim is to enhance the financial performance of both the entities.

CHCL holds a 53.56% of equity shares in its subsidiary, Chandan Pharmacy Limited (“CPL”). To support the subsidiary’s growth in both revenue and profitability, a corporate guarantee has been extended to CPL. As the subsidiary grows, it will strengthen the overall financial position of the group, benefiting the company on a consolidated basis and enhancing the overall financial strength of the group as a whole.

For more information, regarding our contingent liabilities, please refer “Note 34” in chapter titled “Financial Information” beginning on page 224 of this Draft Red Herring Prospectus.

11. We rely on our information technology systems and third-party platform for providing our diagnostic services and managing our operations, and any disruption to such systems or networks could adversely affect our business operations, reputation and financial performance.

We have information technology systems that support our business processes, including for conducting tests, transmission of test results, billing services, quality control, tracking logistics, human resources, finance and other patient service functions, we use Laboratory Information Management System (“LIMS”), Radiology Information Systems (“RIS”) and Picture Archive and Communication Systems (“PACS”). As a result, our business depends on the capacity, reliability and security of our technology systems, as well as the systems of third-party information technology vendors we engage. These systems may be susceptible to outages due to events beyond our control, including fire, floods, power loss, telecommunications failures, natural disasters, break-ins and similar events. In addition, our radiology diagnostic centres have remote review and reporting capabilities, as they are connected to our tele-radiology hub through special image transfer software. While to date we have not experienced any significant disruption of our operations or services provided to patients, there can be no assurance that we will not encounter such disruptions in the future as a result of any such event. If we experience

system interruptions, errors or downtime (which could result from various causes, including changes in client use patterns, technological failure, changes to systems, linkages with third-party systems and power failures) or if we are unable to access necessary technology to effectively serve our patients and manage our operations, our business prospects and financial performance could be materially and adversely affected. Our hardware and software may be susceptible to damage, human error, natural disasters, power loss, sabotage, computer viruses, and other events beyond our control such as interruption in internet services. Managing an effective response to such disruptions may require significant effort on part of our employees and third-party vendors in order to protect our information technology systems. Sustained system failures or interruption of our systems (including systems of third-party information technology vendors) in one or more of our diagnostic centre operations could disrupt our ability to process requisitions, perform testing, provide test results in a timely manner and complete other business administration functions. The occurrence of any such events could adversely affect our business, interrupt our operations, subject us to increased operating costs and expose us to litigation. While we have not faced any interruption in our operations due to system failures in the past three years, however there can be no assurance that the same shall continue in future.

12. Delays in the establishment of diagnostic centres could lead to termination of the agreements or cost overruns, which could have an adverse effect on our cash flows, business, results of operations and financial condition.

We are required to deploy our diagnostic centres, including those to be financed through IPO Proceeds, within healthcare facilities as per the schedule specified in the agreement, we enter into with a healthcare provider. Subject to certain customary exceptions such as (i) occurrence and continuance of force majeure events that are not within our control, or (ii) delays that are caused due to reasons solely attributable to the healthcare provider, failure to adhere to contractually agreed timelines or extended timelines could require us to pay liquidated damages as stipulated in the agreements or lead to encashment and appropriation of the bank guarantee or performance security. The counterparty may also be entitled to terminate the agreement in the event of delay in completion of the establishment of the diagnostic centre if the delay is not on account of any of the agreed exceptions. In the event of termination of any of our contracts for such reasons, we may only receive partial payments under such agreements and such payments may be less than our estimated cash flows from such contracts. Further, we may not be able to obtain extensions for the contracts on which we face delays or time overruns or able to achieve entire term of operation as originally envisaged under these agreements, which could adversely affect our ability to maximise gains from such centres.

Setting-up of diagnostic centres requires that we receive the site from the public health agency or private healthcare provider and any delays in handover of the site to establish the diagnostic centre could also result in delays and cost overruns. The scheduled completion targets for establishment of our diagnostic centres are estimates and are subject to delays as a result of unforeseen problems including force majeure events, issues arising out of availability of equipment, unavailability of financing, unanticipated cost increases or changes in scope and inability in obtaining government approvals. While we have not faced any delays in setting up diagnostic centres in last three years, there can be no assurance that the same shall continue in future. There can be no assurance that there will not be delays in the future and any such delays could have adverse effects on our cash flows, business, results of operations and financial condition

14. We may face a range of operational, reputational, medical, and legal claims, regulatory actions or other liabilities arising from the provision of healthcare services. This includes potential liabilities from malpractice and medical negligence claims, which could negatively impact our business, operational outcomes, and financial health.

We face increased risks of legal claims, criminal actions, regulatory scrutiny, and reputational damage due to the services we offer and any allegations of failing to comply with relevant laws and regulations. This includes potential liabilities from claims of medical negligence involving healthcare professionals associated with us- such as consulting doctors, technicians, and paramedical staff at our diagnostic and

sample collection centres. These risks may materialize if our medical professionals, technicians, and staff are inadequately trained, make errors in handling or labelling patient samples, improperly use complex medical equipment, or fail to extract samples correctly, potentially causing harm or compromising test accuracy. Additionally, we might encounter complaints or disputes from customers concerning false positive or negative results, misdiagnosis, inaccurate reports or other instances of medical negligence, which are particular to the healthcare sector. Such issues can stem from various factors, including personnel negligence, equipment failures, test inaccuracies, individual patient conditions, and complications.

We offer advanced radiology services, including MRI, CT scans, etc. During these procedures, we might perform invasive or anesthetic actions based on doctors' prescriptions. This presents a risk of patient injury, adverse reactions, or complications, which could lead to claims from patients or regulatory bodies, regardless of whether medical negligence by our staff or doctors is involved. Additionally, medical consumables used in our services might be at risk of contamination, mislabelling, tampering, or other forms of damage, such as errors in dispensing and packaging, potentially resulting in injury or death. We could also face professional liability claims related to improper use or malfunction of our diagnostic equipment or accidental exposure to radiation. Although we have not experienced incidents of contamination or injury from hazardous materials that significantly impacted our business in Fiscal Years 2024, 2023, or 2022, we cannot guarantee that such events will not occur in the future. For more details, refer to "*Outstanding Litigation and Material Developments*" on page 270.

Claims against our Company that are not entirely covered by insurance could be expensive to defend, potentially lead to significant damage awards, and shift our management's focus away from our core operations. This diversion could negatively impact our business, operational results, and financial health.

21. Our Current and proposed business operations are being conducted on premises owned by and leased from third parties. Our inability to continue operating from such premises, or to seek renewal or extension of such leases may adversely affect our business and results of operations.

Our current and proposed business operations are primarily conducted on premises that are owned by and leased from third parties, and we may continue to enter into similar transactions in the future. For example, our current diagnostic centres located at Dehradun, Almora, and Nainital, we have secured leases for 10 years, 3 years, and 1 year, respectively. As our current leases may expire in the ordinary course of business, we cannot assure you that we will be able to continue operating from our existing premises or renew our leases on favorable terms, or at all.

Given that our operations rely heavily on leased premises, any encumbrance, adverse impact, or deficiency in the title, ownership rights, or development rights of the property owners from whom we lease could have a detrimental effect on our business. Additionally, any breach of contractual terms or inability to renew lease agreements on acceptable terms could disrupt our business and adversely affect our results of operations. In the event that we are required to relocate, we may face the challenge of obtaining fresh regulatory licenses and approvals. Furthermore, we cannot assure you that suitable alternative locations will be readily available. Any delay in securing a new location could lead to operational disruptions, negatively impacting our business and financial performance.

23. There have been instances in the past where we have not made certain regulatory filings with the RoC and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company.

We have obtained the search report on RoC filing from the PCS firm M/s Akshat Garg & Associates vide their report dated September 27, 2024. According to that report, there have been certain discrepancies in relation to statutory filings required to be made by the company with the RoC under applicable laws, as well as certain other non-compliances incurred by us under the Companies Act

details of which are provided hereunder which have been intimated to the RoC by way of filing e-form GNL-2 form through letter dated September 26, 2024 and Company has sent an intimation to the ROC informing about discrepancies/ errors, and no action has been taken by ROC against us for such inaccurate filings. The details of such discrepancies/errors are provided below:

a) Our Company did not find the Form 32 for appointment of Amar Singh as Managing Director in the year 2004 and re-appointment form of Amar Singh as Managing Director for the year 2004 and 2009. Our company has informed the RoC and has been informed to ROC via Form GNL-2 dated September 26, 2024.

b) Our Company had wrongly mentioned in Form DPT-3 for March 31, 2023, as year ending July 14, 2023. Our company had wrongly attached EGM resolution in Form PAS-3 for allotment of shares in 2014 instead of Board Resolution. Our company has voluntarily refiled Form DPT-3 and Form PAS-3 before the RoC and has been informed to ROC via Form GNL-2 dated September 26, 2024.

However, Board of Directors of our Company has taken the note of the said discrepancies found in the statutory forms vide resolution dated September 28, 2024. Our company has appointed designated employees responsible for monitoring statutory requirements and ensuring timely compliance of the same. A compliance calendar has been established to track deadlines for filings, approvals, and submissions to ROC. These clerical errors were not substantial in nature and the concerned ROC has not issued any show-cause notice in respect to the above has been received by our Company till date and except as stated in this Draft Red Herring Prospectus, no penalty or fine has been imposed by any regulatory authority in respect to the same.

29. We handle confidential medical information of our patients and are vulnerable to potential data breaches or unauthorised access which would adversely affect our business operations.

Our Company is entrusted with handling large volumes of confidential medical information, which is subject to strict data protection regulations and industry standards. There remains a risk of unauthorized access, data breaches, or inadvertent disclosures due to factors such as cyberattacks, system vulnerabilities, human error, or evolving regulatory requirements. Any failure to adequately safeguard patient data could result in reputational damage, regulatory penalties, legal liabilities, and a loss of trust amongst the patients. While our Company has not faced such breach of data in past three years, there can be no assurance that we shall continue the same in future.

30. We have entered and may continue to enter into related party transactions and there can be no assurance that such transactions have been on favourable terms.

We have entered certain transactions with related parties may continue to do so in future. While our Company confirms that all such transactions have been conducted on arms-length basis and is in compliance with the Companies Act, 2013 and other applicable laws, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties.

Furthermore, it is likely that our company will enter into related party transactions also in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to “*Note no. 32- Related Party Transactions*” of restated financials under section titled “*Financial Information*” on page 224 of this Draft Red Herring Prospectus.

34. Our inability to protect or use our intellectual property rights or comply with intellectual property rights of others may adversely affect our business.

If we are unable to protect our name and logo we may be subject to counterfeiting or imitation which would adversely impact our reputation and lead to loss of customer confidence, reduced sales, and

higher administrative costs. There can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation, and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which could adversely affect our business, results of operations, and financial condition. We believe that there may be other companies that operate in the unorganized segment using our brand names. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows, and financial condition. Furthermore, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. While we have protected our intellectual properties in past three years, there can be no assurance that the same shall continue in future. For further details, please refer to the chapter titled “*Government and other Approvals*” on page 281 of this Draft Red Herring Prospectus.

35. Financial difficulties of patients or third-party payers may result in payment delays or require us to write off debts.

We face third-party credit risk, which arises from our dependence on external entities to pay for the services we deliver. Our exposure to this risk varies based on whether we bill patients directly or invoice public or private healthcare providers. If a third-party payer or contractual partner encounters financial troubles, we might struggle to collect the payments owed to us, potentially leading to debt write-offs. Prolonged or frequent payment delays, or instances of bad debts, could negatively impact our business operations, financial health, and future prospects.

Our credit period typically ranges from 15 days to 4 months. However, payments from government agencies may occasionally take longer to process due to procedural delays in approvals and payment disbursements. Over the past three years, there have been no other significant delays in the company’s payment cycle under normal business conditions. There can be no assurance that the same might continue in future.

36. We have not identified any alternate source of financing the “Objects of the Offer”. If we fail to mobilize resources as per our plans, our growth plans may be affected.

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer may delay in the implementation schedule and could adversely affect our growth plans. We hereby confirm that in case of any delay in the implementation schedule, the same would be undertaken as per applicable laws. For further details of object of Offer and schedule of implementation please refer to the chapter titled “*Objects of the Offer*” on page 117 of this Draft Red Herring Prospectus.

41. If we are subject to any frauds, theft, or embezzlement by our employees, suppliers, or customers, it could adversely affect our reputation, results of operations, financial condition, and cash flows.

Our operations may be subject to incidents of theft. We may also encounter some inventory loss on account of employee/ supplier/ customer fraud, theft, or embezzlement. Although we have set up various security measures in our office premises, diagnostic centres, and collection centres and there have been no past instances of any theft or embezzlement, there can be no assurance that we will not

experience any similar incidents in the future, which could adversely affect our reputation, results of operations, financial condition, and cash flows.

SECTION IV- INTRODUCTION

OBJECTS OF THE OFFER

Basis of estimation of Capital Expenditure requirement:

2) Increase in Foot fall and customer base in sale of service

The company has made substantial efforts to grow its customer base, resulting in a significant increase in the number of customers:

Financial Year	Number of Customers	Number of Tests
2023-24	15,63,862	61,77,354
2022-23	12,66,270	46,46,789
2021-22	7,94,311	26,13,975

Details of Utilization of Net Proceeds

1. Funding capital expenditure requirements for setting up of a flagship diagnostic centre in Jankipuram, Lucknow, Uttar Pradesh

A. Capacity and schedule of implementation

The proposed amount to be utilised for the Proposed Diagnostic Centre is proposed to be an aggregate of ₹ 3,281.58 lakhs

Sr. No.	Particulars	Status / Expected commencement date	Expected completion date
1.	Planning and procurement of equipment	June 2026	July 2026
2.	Erection and installation of equipment*	July 2026	August 2026
3.	Trial run	August 2026	
4.	Commencement of commercial Operation	September 2026	

* Note: Erection and installation charges are included in majority of the equipment costs mentioned above. And the equipment where aforementioned costs does not include erection and installation charges, we will utilize our internal accruals to cover these additional expenses.

B. Estimated Cost

1. Building and Civil Work

a. Civil work

We have received a quotation from Srijan Srishti, Independent Architect for the estimated cost of civil works, dated September 10, 2024. This quotation is valid for one year from the date of the quotation, i.e., September 10, 2025.

2. Funding capital expenditure requirements for setting up of a New Central Reference Laboratory at Ayodhya, Uttar Pradesh

This is in accordance with the Indenture of deed dated September 23, 2024, executed between M/s Shree Raghunath Ji Complex, a partnership firm, and our Company. The Premises measuring a total carpet area of 8,450 Sq. ft [Basement-1,750 Sq. ft (parking), ground floor-3200 sq. ft. and first floor-3,500 Sq. ft). The term of deed is for long term 9 years, with an 8-year lock-in period, effective from January 1, 2025, until December 31, 2033. An advance payment of ₹ 8.00 lakhs has already been made from our internal accruals and going forward, we will remit ₹ 4.00 lakhs along with 18% GST each

month to Shree Raghunath Ji Complex. with All the future rent obligations also to be fulfilled through internal accruals. We hereby confirm that the lessor is not a related party to the company and the transaction has been conducted at an arm's length price and the agreements are adequately stamped and registered.

Note for Pre-Owned GE MRI Model Signa HDXT 1.5T "16 Channel"

Purchasing pre-owned machines with the same specifications as compared to purchasing new machines comes at a discount of 35% to 40% per machine.

Pre-Owned GE CT Scan System "OPTIMA 660" 64 Slice

Purchasing pre-owned machines with the same specifications as compared to purchasing new machines comes at a discount of 54% to 60% per machine.

3. Funding capital expenditure requirements for setting up of a New Centre at Ashiyana, Lucknow, Uttar Pradesh

This is in accordance with the Indenture of deed dated September 25, 2024, executed between Daniel Cyberheights LLP, and our Company. The Premises measuring a total carpet area of 5,670 Sq. ft. The term of deed is for duration of 3 years for lease, effective from December 01, 2024. An advance payment of ₹ 8.00 lakhs has already been made from our internal accruals, and going forward, we will remit ₹ 3.80 lakhs per month, with all future rent obligations also to be fulfilled through internal accruals. We hereby confirm that the lessor is not a related party to the company and the transaction has been conducted at an arm's length price and the agreements are adequately stamped and registered.

Note for Pre-Owned GE MRI Model Signa HDXT 1.5T "16 Channel"

Purchasing pre-owned machines with the same specifications as compared to purchasing new machines comes at a discount of 35% to 40% per machine.

Pre-Owned GE CT Scan System "OPTIMA 660" 64 Slice

Purchasing pre-owned machines with the same specifications as compared to purchasing new machines comes at a discount of 54% to 60% per machine.

Interim use of Net Proceeds

The Net Proceeds pending utilisation for the purposes stated in this section, shall be deposited only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act and other applicable laws, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

SECTION V-ABOUT THE COMPANY

OUR BUSINESS

Business Overview:

We run a diagnostic network in North India with pathology and radiology testing services. As of August 31, 2024, we have one flagship laboratory, seven central laboratories, twenty-six satellite centres, more than three hundred collection centres and located in Jaipur and across Uttar Pradesh and Uttarakhand, with facilities in more than 15 cities and towns across Uttar Pradesh and more than 10 cities and towns in Uttarakhand. Out of our various laboratories, eight are National Accreditation Board for Testing and Calibration Laboratories (“NABL”) accredited while three of our diagnostic centres have National Accreditation Board for Hospitals & Healthcare Providers (“NABH”) accreditation. In Fiscal 2024 we carried out around 61.77 lakhs tests on about 15.64 lakh patients’ where we derived about 67.74% of the revenue from our operations in regions of Uttar Pradesh.

A significant portion of our revenue is derived from B2B segment i.e. sales to our corporate clients. In the fiscal years 2024, 2023, and 2022, 42.01%, 47.64%, and 38.79% of our total revenue, respectively, came from this segment. Additionally, B2G segments accounted for 23.86%, 20.66%, and 5.38% of our total revenue for the same period.

A portion of our revenue comes from the B2C segment, which includes individual patients who visit our diagnostic labs, collection centres, or use our home collection services. The success of our business relies on the recognition and reputation of our brand. For Fiscal 2024, 2023, 2022 the B2C segment accounted for 34.13%, 31.70%, and 55.83%, respectively, of our total revenue.

Our Subsidiary Company was incorporated as “Chandan Pharmacy Limited” (“CPL”) on August 14, 2017 as a public limited company under the provisions of the Companies Act, 2013 pursuant to Certificate of Incorporation issued by Registrar of Companies, Central Registration Centre (“RoC”). The Corporate Identification Number of our Company is U52601DL2017PLC322118. For more details regarding the directorship, shareholding, promoters of CPL, kindly refer to “Our Subsidiaries” on page 185 of the DRHP.

CPL operates through 31 shops across Uttarakhand and Uttar Pradesh, with 23 shops Uttar Pradesh and 8 shops in Uttarakhand. As of the fiscal years 2024, 2023, and 2022, CPL contributed 44.78%, 44.88%, and 48.57%, respectively, to the consolidated revenue. The company is primarily engaged in the sale of products across the Pharmaceutical, FMCG, and Surgical segments. In the Pharmaceutical segment, the company offers a range of products, including tablets, capsules, syrups, ointments, and various dosage forms such as liquids, solids, and semisolids. Within the FMCG segment, the company sells items such as thermometers, face masks, wrist restraints, gloves, air fresheners, and more. In the Surgical segment, the company provides essential medical supplies, including gauze, syringes, shaver blades, and needles.

The following are the financial details of the Chandan Pharmacy Limited on Standalone basis:

Particulars	2023-24	2022-23	2021-22
Equity share capital	32.30	32.30	32.30
Reserves and Surplus	481.69	514.36	467.02
Net Worth	513.99	546.66	499.32
Total Revenue	7,624.96	5,909.86	4,449.06
Profit Before Tax	25.69	63.92	4.14
Profit After Tax	15.79	47.34	2.70

Table set forth below is bifurcation of our revenue as per customer-based Industries:

Industries	For the period ended					
	March 31, 2024		March 31, 2023		March 31, 2022	
	Amount (₹ in lakhs)	% of our revenue	Amount (₹ in lakhs)	% of our revenue	Amount (₹ in lakhs)	% of our revenue
Healthcare and cosmetic	6,993.25	39.60%	5,719.91	41.79%	4,298.74	35.95%
B2C	6,027.02	34.13%	4,339.87	31.70%	6,675.21	55.83%
Government	4,213.17	23.86%	2828.56	20.66%	643.52	5.38%
Automobile	91.05	0.52%	6.47	0.05%	45.90	0.38%
Banking, Financial Services, and Insurance	88.73	0.50%	128.73	0.94%	135.09	1.13%
Institution and College	68.78	0.39%	541.62	3.96%	53.06	0.44%
Information Technology	65.99	0.37%	35.19	0.26%	0.41	0.00%
Travel Tourism	49.23	0.28%	45.65	0.33%	39.65	0.33%
Food and Beverages	22.20	0.13%	8.77	0.06%	12.42	0.10%
Power	14.01	0.08%	4.94	0.04%	20.25	0.17%
Real Estate	6.66	0.04%	7.71	0.06%	4.60	0.04%
Petrochemical	6.54	0.04%	17.15	0.13%	16.36	0.14%
Hotel	5.01	0.03%	0.39	0.00%	1.74	0.01%
Retail	2.83	0.02%	1.02	0.01%	0.47	0.00%
Cement	2.54	0.01%	2.37	0.02%	7.55	0.06%
Agro-Chemicals	1.08	0.01%	0.31	0.00%	0.39	0.00%
Sugar	0.87	0.00%	0.00	0.00%	0.91	0.01%
Telecom	0.05	0.00%	0.28	0.00%	0.08	0.00%
Total	17,659.01	100.00%	13,688.94	100.00%	11,956.35	100.00%

Table set forth below is service wise bifurcation of our revenue:

Name of Service	For the period ended					
	March 31, 2024		March 31, 2023		March 31, 2022	
	Amount (₹ in lakhs)	% of our revenue	Amount (₹ in lakhs)	% of our revenue	Amount (₹ in lakhs)	% of our revenue
Sale of product (A)	7,908.32	44.78%	6,143.10	44.88%	5,807.16	48.57%
Chandan Pharmacy Limited*						
Pharmaceuticals	5,612.27	31.78%	4,392.07	32.08%	3,345.83	27.98%
FMCG	1,578.16	8.94%	905.48	6.62%	777.83	6.51%
Surgical	421.17	2.38%	610.14	4.46%	323.13	2.70%
Total	7,611.60	43.10%	5907.69	43.16%	4446.79	37.19%
Chandan Healthcare Limited	296.72	1.68%	235.41	1.72%	1,360.37	11.38%
Sale of services (B)	9,750.69	55.22%	7,545.84	55.12%	6,149.19	51.43%
Pathology	6,357.94	36.00%	4,678.71	34.18%	4,156.98	34.77%
Radiology	3,391.24	19.20%	2,866.72	20.94%	1,992.21	16.66%
Other Operating Income	1.51	0.01%	0.41	0.00%	0.00	0.00%
Total (A+B)	17,659.01	100.00	13,688.94	100.00	11,956.35	100.00

* Chandan Pharmacy Limited, our subsidiary, is engaged in the sale of pharmaceutical products.

Note: As certified by M/s MSNT & Associates LLP, Chartered Accountants vide their certificate dated September 23, 2024

The table set forth below are contribution of our top 10 customers towards our revenue from operations

Category	For fiscal year 2024		For fiscal year 2023		For fiscal year 2022	
	Amount (₹ in lakhs)	(%)	Amount (₹ in lakhs)	(%)	Amount (₹ in lakhs)	(%)
Customer 1	5,946.82	33.68%	4,939.04	36.08%	3,594.30	30.06%
Customer 2	4,203.22	23.80%	2,828.56	20.66%	638.12	5.34%
Customer 3	388.03	2.20%	242.80	1.77%	106.87	0.89%
Customer 4	141.48	0.80%	55.95	0.41%	97.93	0.82%
Customer 5	69.14	0.39%	55.38	0.40%	96.98	0.81%
Customer 6	61.72	0.35%	51.44	0.38%	64.60	0.54%
Customer 7	59.93	0.34%	48.88	0.36%	58.02	0.48%
Customer 8	52.39	0.29%	45.68	0.33%	39.65	0.33%
Customer 9	49.89	0.28%	39.81	0.29%	24.04	0.20%
Customer 10	49.41	0.28%	34.79	0.25%	22.99	0.19%
Total	11,022.03	62.42%	8,342.40	60.94%	4,743.50	39.67%

For the fiscal years 2024, 2023, and 2022, B2C customers contributed ₹ 6,027.02 Lakhs, ₹ 4,339.87 Lakhs, and ₹ 6,675.21 Lakhs, respectively, representing 34.13%, 31.70%, and 55.83% of our total revenue, respectively.

Table set forth below provides year-on-year tests conducted:

<u>Fiscal Year</u>	<u>Number of tests conducted</u>
<u>2021-22</u>	<u>26,13,975</u>
<u>2022-23</u>	<u>46,46,789</u>
<u>2023-24</u>	<u>61,77,354</u>

RAW MATERIAL:

State	For fiscal year 2024		For fiscal year 2023		For fiscal year 2022	
	Amount (₹ in lakhs)	(%)	Amount (₹ in lakhs)	(%)	Amount (₹ in lakhs)	(%)
Uttar Pradesh	8,284.34	92.79	6,479.09	94.15	5,905.54	93.73
Delhi	199.23	2.23	123.12	1.79	141.18	2.24
Uttarakhand	119.31	1.34	109.92	1.60	119.81	1.90
Tamil Nadu	113.69	1.27	22.85	0.33	32.54	0.52
Gujarat	82.81	0.93	36.48	0.53	40.00	0.63
Karnataka	31.73	0.36	48.01	0.70	-	-
Goa	29.63	0.33	-	-	-	-
Haryana	29.31	0.33	27.00	0.39	43.04	0.68
Maharashtra	16.99	0.19	33.56	0.49	17.36	0.28
Rajasthan	13.99	0.16	1.39	0.02	0.71	0.01
Dadra and Nagar Haveli & Daman and Diu	4.06	0.05	-	-	-	-
Telangana	1.68	0.02	-	-	-	-
Punjab	1.61	0.02	0.13	0.00	-	-
West Bengal	-	-	-	-	0.30	0.00
Total	8,928.39	100.00	6,881.56	100.00	6,300.47	100.00

MEDICAL EQUIPMENTS:

We have a total of 11 CT scan machines, including one pre-owned machine, and 4 MRI machines, one of which is pre-owned. All of these machines are owned by the company.

We confirm that our Directors, KMPs and SMPs do not have any conflict of interest with the third party suppliers of machinery.

Properties

The following are the details of the central reference laboratories:

Sr. No.	Details of the Properties	Description of Properties	Area (Sq. Ft.)
1.	Schandra Singh 49/19b Kamla Nehru Road Old Katra Mayo Hall, Old Katramayo Hall Allahabad, Utter Pradesh, India	Rent Agreement Between Mahesh Narain Singh and Our Company at rent of ₹ 1,35,000 per month	3,300
2.	Mukut Complex, Rakabganj, Faizabad Babukut Civil Line, Faizabad Utter Pradesh, India	Agreement Between Dinesh Chandra Agarwal/ Radha Agarwal and Our Company at rent of ₹ 1,62,500 per month	3,125
3.	Susheela Arcade, Chatra Sangh Chouraha, Gorakhpur Utter Pradesh 273001, India	Rent Agreement Between Sushila Tiwari and Our Company at rent of ₹ 4,50,000 per month	5,300
4.	1 st Floor Kamnath Market, Hospital Road, Lakhimpur Kheri	Rent Agreement Between Adarsh Mahalaxmi Khairati Hospital and Our Company at rent of ₹32,119 per month	3,600
5.	D-63/6-B Plot No. 99, Maternitee Home, Shivaji Nagar Colony, Mahmoorganj, Varanasi, Uttar Pradesh, 221010, India	Rent Agreement Between Rishi Kumar Singh and Our Company at rent of ₹ 30,000 per month	1,566.80
6.	1 st Floor, 56, New Road, Main MKP Chowk, Dehradun, Utrakhand, 248001	Rent Agreement Between Sarika Sookias and Our Company at rent of ₹ 4,36,000 per month	4,000
7.	Chaudhary Bhawan Gram Damuadunga, Bandobasti, Nainital Road Haldwani, Utrakhand 263193	Lease deed between Rajiv Kumar and Our Company at rent of ₹ 93,139 per month	4,745

The lessor is not a related party, and the transaction has been conducted at arm's length price all the central reference laboratories' agreements are adequately stamped and registered and are currently in the process of being registered.

OUR MANAGEMENT

Brief profiles of our directors

Vinay Lamba, aged 58 years, is Non-Executive Director of our company. He has been associated with our company since inception, he was re-designated as Non- Executive Director on July 01, 2024. He has completed his training from the Marine Engineering and Research Institute, Calcutta and has a certificate of competency as Marine Engineer Officer Class I of a Motorship. He has over one decade of experience in the field of technical operations. He was previously associated with Indra Diagnostic Centre and Blood Bank Limited as Operations head from 1999 to 2003. At Chandan, he works closely with external engineering teams of the various parties to establish calibration standards and assess equipment performance. He takes part in strategic planning to ensure that procurement strategies align with organizational objective. Additionally, he analyses market trends and forecasts to make well-informed decisions about asset acquisition.

Vinod Jain, aged 66 years, is the Non- Executive Independent Director of our company. He has been associated with our company w.e.f. August 13, 2024 as Non-Executive Independent Director. He holds Master of Surgery (General Surgery) he is a fellow in Art and Science of Surgery from American College of Surgeons and a fellow in General Surgery from International College of Surgeons. He was previously associated as Professor with King George Medical University, U.P., Lucknow from February 27, 1998 and superannuated in October 05, 2022.

OUR PROMOTERS AND PROMOTER GROUP

(a) Natural Persons who are part of the Promoter Group

Name of the Promoter	Name of the relative	Relationship with the promoter
Vinay Lamba	Late Meera Singh	Spouse's Mother

OUR SUBSIDIARIES

1. Chandan Pharmacy Limited (CPL)

Nature of business:

CPL is engaged in the business to carry on trading as sellers, agents, distributors, importers, exporters of all kinds of medicines including allopathic and ayurvedic. Additionally, the company trades various hospital, diagnostic, and healthcare equipment, aids, medicines, and all related pharmaceutical products across all branches of pharmacy.

2. Chandan Diagnostic Limited (CDL)

Nature of business:

CDL is engaged in the operation, ownership, management, and administration of establishments equipped with diagnostic tools such as scanners, clinical pathology facilities, X-ray, ultrasound, EEG, and other electro- medical diagnostic devices. The company also acts as an examiner for pharmaceuticals, medicines, and drugs produced by manufacturers, including government and semi-government bodies.

Additionally, CDL manufactures and provides medical products such as artificial eyes and limbs, corsets, stays, bandages, crutches, chairs, stretchers, ambulances, and all other hospital requisites for patients and the infirm. The company is committed to delivering medical relief to the public across all branches of medical science through available means.

Furthermore, CDL engages in medical research and development across various fields of medical science and therapeutic treatments, with the aim of improving medical care. The company also establishes and maintains research and biological laboratories.

3. Indra Diagnostic Centre and Blood Bank Limited (IDCBBL):

Nature of Business:

IDCBBL is engaged in the business of taking over the operations and activities previously carried out by Indra Diagnostic Centre and Blood Bank. The company is responsible for running, owning, managing, and administering a diagnostic center equipped with scanning, clinical pathology, X-ray, ultrasound, EEG, and other electro-medical diagnostic tools. Additionally, IDCBBL operates, owns, and manages a blood bank.

OUR GROUP COMPANIES

1. Chandan Hospital Limited (CHL):

Nature of Business:

CHL is engaged in the business of establishing, acquiring, owning, managing, operating, and maintaining hospitals, blood banks, eye banks, pathology and medical diagnostic centers. Additionally, the company acts as a manufacturer, seller, agent, and distributor of all kinds of medical, hospital, diagnostic, and healthcare equipment, aids, medicines, and related products across all areas of healthcare and therapeutic services. CHL is also involved in the establishment and operation of research and biological centers and serves as an examiner of pharmaceuticals, medicines, and drugs across various branches of medicinal therapies.

2. Chandan Institute of Medical Sciences Limited (CIMS):

Nature of Business:

CIMS is engaged in the business of acquiring, leasing, establishing, maintaining, operating, managing, and administering hospitals, healthcare, diagnostic, medical aid, and research centers. The company provides medical relief to the public across all branches of healthcare through various medical schemes and means. CIMS is also carries out medical and clinical research, focusing on the research and development of medical sciences and therapies. Additionally, CIMS undertakes, promotes, and participates in all types of research, including clinical research, and development work to support the establishment of hospitals, healthcare facilities, and the manufacturing of medical equipment etc. The company fosters innovation in the discovery, improvement, and development of new diagnostic methods, as well as advancing the understanding, prevention, and treatment of diseases.

3. Cendana Pharmaceuticals Private Limited (CPPL):

CPPL is engaged in the manufacture, formulation, processing, development, refinement, import, export, wholesale, and retail trade of a wide range of pharmaceutical products, including but not limited to pharmaceuticals, antibiotics, medicines, biologicals, nutraceuticals, healthcare products, Ayurvedic remedies, dietary supplements, medicinal preparations, vaccines, chemicals (including APIs), dry salters, mineral waters, wines, cordials, liquors, soups, broths, and other nutritional or restorative foods. The company also deals in medicinal goods such as surgical instruments, contraceptives, photographic products, oils, perfumes, cosmetics, patent medicines, soaps, artificial limbs, hospital requisites, proprietary medicines, veterinary medicines, tinctures, and extracts. Further, CPPL engages in the vialing, bottling, repacking, and processing of tablets, capsules, syrups, injections, ointments, and other pharmaceutical formulations. The company operates as chemists, druggists, buyers, sellers, agents, distributors, and stockists of pharmaceuticals and allied products. Additionally, CPPL conducts business both domestically and internationally, acting as importers, merchants, suppliers, commission agents, representatives, distributors, royalty owners, contractors, auctioneers, indent agents, factors, organizers, concessionaires, sale agents, sub agents and insurance agents in connection with the aforementioned products and services.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

Business Overview

We run a diagnostic network in North India with pathology and radiology testing services. As of August 31, 2024, we have one flagship laboratory, seven central laboratories, twenty-six satellite centres, more than three hundred collection centres and located in Jaipur and across Uttar Pradesh and Uttarakhand, with facilities in more than 15 cities and towns across Uttar Pradesh and more than 10 cities and towns in Uttarakhand. Out of our various laboratories, eight are National Accreditation Board for Testing and Calibration Laboratories (“NABL”) accredited while three of our diagnostic centres have National Accreditation Board for Hospitals & Healthcare Providers (“NABH”) accreditation. In Fiscal 2024 we carried out around 61.77 lakhs tests on about 15.64 lakh patients’ where we derived about 67.74% of the revenue from our operations in regions of Uttar Pradesh.

A significant portion of our revenue is derived from B2B segment i.e. sales to our corporate clients. In the fiscal years 2024, 2023, and 2022, 42.01%, 47.64%, and 38.79% of our total revenue, respectively, came from this segment. Additionally, B2G segments accounted for 23.86%, 20.66%, and 5.38% of our total revenue for the same period.

A portion of our revenue comes from the B2C segment, which includes individual patients who visit our diagnostic labs, collection centres, or use our home collection services. The success of our business relies on the recognition and reputation of our brand. For Fiscal 2024, 2023, 2022 the B2C segment accounted for 34.13%, 31.70%, and 55.83%, respectively, of our total revenue.

COMPARISON OF F.Y. 2024 WITH F.Y. 2024

Revenue from Operations

The Company’s revenue from operations in the financial year 2023-24 is ₹ 17,659.01 lakhs. This represents ₹ 3,970.07 lakhs or 29.00% increase compared to the previous financial year’s revenue from operations of ₹ 13,688.94 lakhs. This increase is primarily due to increase in sales from products of ₹ 1,765.22 lakhs and sales from services of ₹ 2,203.75 lakhs. During the current financial year, the company successfully expanded its customer base and added more diagnostic centres, due to our strategic approach and experienced team. We gained 2,97,592 new customers over the year. The increase in sales is due to increase in institutional contracts (B2B) and increased footfall of patients in existing centres. Additionally, we increased the number of satellite laboratories from 24 to 26 and collection centres from 344 to 348, which contributed to a growth in revenue. The company has also focused more on preventive tests category resulting in additional sales compared to last year.

Rationale for increase in Profit After Tax (PAT) compared to total income

In the last financial year, we reduced the rate of expense growth compared to the previous year. A few centers reached the breakeven point and became profitable, while approximately 15 centers achieved fixed cost recovery parity. Despite lower profitability in certain centers, strategically positioned centers experienced significant sales growth driven by corporate servings. This contributed to an increase in volume, enabling us to improve margins through enhanced operational efficiency. The growth in margins was primarily driven by a rise in both volume and the prices of pharmacy products and diagnostic services, which together accounted for around 29% of total revenue during the period. Additionally, interest income rose substantially, from ₹ 7.75 lakhs in FY 2023 to ₹ 24.50 lakhs in FY 2024, positively impacting the PAT margin. The company also received dividends amounting to approximately ₹ 76 lakhs from an associated company, further contributing to the positive financial performance.

Also, there were significant reductions in commission and travel expenses. Commission expenses, which totalled to ₹ 569.22 lakhs in FY 2023, were drastically reduced to ₹ 0.17 lakhs in FY 2024, the decrease in commission expenses in FY 2024 is directly related to a strategic shift in employee compensation. While commissions were distributed in FY 2023, no such distribution occurred in FY 2024. This is because we significantly increased employee benefits expenses by ₹988.87 lakhs in FY 2024 compared to FY 2023, effectively compensating employees through higher salaries and benefits. This is reflected in the increase of employee expenses as a percentage of revenue from operations, rising from 18.62% in FY 2023 to 20.03% in FY 2024. Further, the company incurred expenses towards travelling and conveyance expenses of ₹ 1,117.97 lakhs in FY 2023 on account of survey and identification of new locations for setting up new centres, the same expense was reduced to ₹ 771.05 lakhs in FY 2024. These reductions in expenses were key drivers of the substantial increase in PAT for FY 2024.

COMPARISON OF F.Y. 2023 WITH F.Y. 2022

Rationale for increase in Profit After Tax (PAT) compared to total income

The company has revised its accounting policy regarding the treatment of consumables transferred to diagnostic centers. Under the previous policy, these consumables were expensed at the time of transfer. However, given the significant stock of consumables consistently held at these centers, the company has adopted a new policy where consumables are recognized as inventory at the centers and expensed only when consumed or used. As a result, the profit after tax for the current financial year increased by ₹ 467.88 Lakhs, reflecting a 428.27% rise. This change has a one-time impact on the current year's profit but is not expected to materially affect future profitability. Additionally, the company's revenue grew by 14.15%, while fixed costs remained relatively constant, leading to higher profit margins. In FY 2021-22, the company faced a significant exceptional loss of ₹ 476 Lakhs due to bad debts from the Uttar Pradesh Health Systems Strengthening Project, which negatively impacted profitability. The absence of such a loss in FY 2022-23, combined with improved performance and a reduction in other expenses from 30.29% of revenue in FY 2022 to 27.25% in FY 2023, contributed to the substantial increase in profit after tax. Please refer to Note: 28 of the Restated Consolidated Financial Statement on Page 249 of the DRHP. These factors together explain 428% growth in PAT despite only a 14.50% increase in revenue.

Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations

10. Any significant dependence on a single or few suppliers or customers

Particulars	Top Customers as a percentage (%) of total sales		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Top 5	60.87%	59.32%	37.92%
Top 10	62.42%	60.94%	39.67%

**SECTION VII – LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

1. LITIGATION INVOLVING OUR COMPANY

Cases filed by our Company

1. Criminal Proceedings

Case No.:	9480/2019
Section/Code	138 of The Negotiable Instrument Act, 1881
Court Authority	Special C.J.M Custom, District - Lucknow
Case Details	Our Company (“ Complainant ”) filed a criminal complaint dated November 05, 2019, against Manish Kumar Gupta and Vaishnavi Health Care (collectively the “ Defendant ”), due to dishonour of cheque for the amount of ₹ 2,07,865/- which was issued by the Defendant to the Complainant in consideration of the repair work certain test of customers conducted on behalf of the Vaishnavi Health Care. The Defendant issued cheques for the part payment of the outstanding amount. However, the encashment of the said cheques was stopped. Hence, the said complaint was filed.
Status	At hearing stage

Cases filed against our Company

4. Tax Proceedings

Our Company had filed e-return on September 30, 2011 disclosing Nil income with carry forwarding of current year losses of ₹ 1,22,52,419 (Rupees One Crore Twenty-Two Lakhs Fifty-Two Thousand Four Hundred Nineteen Only) and total carry forwarding of losses of ₹ 1,84,86,458 (Rupees One Crore Eighty Four Lakhs Eighty Six Thousand Four Hundred Fifty Eight Only). The Income Tax Officer-2(1), Lucknow vide his assessment order under section 143(3) of the Income Tax Act, 1961 dated March 28, 2014 (“**Assessment Order**”) made the addition of ₹ 98,15,769 (Rupees Ninety-Eight Lakhs Fifteen Thousand Seven Hundred Sixty-Nine Only) in total income for the assessment year 2011-12. Aggrieved by the Assessment Order, our Company filed an appeal before the Ld. CIT(A) on March 23, 2014 and received a partial relief.

The Income Tax Department filed an appeal before the Hon’ble ITAT against the relief allowed by the Ld. CIT(A) mentioned in grounds of appeal on October 14, 2015. Since no further date of hearing has been fixed by the Hon’ble ITAT and the proceedings are pending, Further, we would like to submit that the total amount involved is ₹ 56,51,000 (Rupees Fifty-Six Lakhs Fifty-One Thousand Only).

GOVERNMENT AND OTHER KEY APPROVALS

APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS

Sr. No.	Authorization Granted	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue	Valid up to
4.	UDYAM Registration Certificate	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-UP-50-0018648	May 21, 2021	Valid till the closure of financial year [#]
5.	Employee Provident Fund Registration	Regional Provident Fund Commissioner, Employee Provident Fund Organisation – U.P. Region	59393/68542/EPFO/RO/Lko/Cov./UP/4 1023	May 08, 2006	Valid until Cancelled

#While this certificate has been issued on May 21, 2021 by Ministry of Micro, Small and Medium Enterprises, Government of India, however it was classified on May 9, 2023. Since this certificate is updated basis the filing of the Income Tax Return, our Company is in the process of filing the Income Tax Return post which the classification date will be changed and the same will be accordingly updated in the RHP and Prospectus.

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Addendum to Draft Red Herring Prospectus are true and correct.

SIGNED BY THE MANAGING DIRECTOR

Sd/-

**Amar Singh
Managing Director**

Place: Lucknow

Date: January 10, 2025

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Addendum to Draft Red Herring Prospectus are true and correct.

SIGNED BY THE MANAGING DIRECTOR

Sd/-
Asmita Singh
Managing Director

Place: Lucknow
Date: January 10, 2025

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Addendum to Draft Red Herring Prospectus are true and correct.

SIGNED BY THE NON- EXECUTIVE DIRECTOR

Sd/-

Vinay Lamba

Non- Executive Director

Place: Lucknow

Date: January 10, 2025

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Addendum to Draft Red Herring Prospectus are true and correct.

SIGNED BY THE NON- EXECUTIVE INDEPENDENT DIRECTOR

Sd/-

Amit Gupta

Non- Executive Independent Director

Place: Lucknow

Date: January 10, 2025

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Addendum to Draft Red Herring Prospectus are true and correct.

SIGNED BY THE NON- EXECUTIVE INDEPENDENT DIRECTOR

Sd/-
Brahma Nand Bhartiya
Non- Executive Independent Director

Place: Lucknow

Date: January 10, 2025

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Addendum to Draft Red Herring Prospectus are true and correct.

SIGNED BY THE NON- EXECUTIVE INDEPENDENT DIRECTOR

Sd/-
Vinod Jain
Non- Executive Independent Director

Place: Lucknow
Date: January 10, 2025

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Addendum to Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER

Sd/-
Rajeev Nain
Chief Financial Officer

Place: Ahmedabad
Date: January 10, 2025

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Addendum to Draft Red Herring Prospectus are true and correct.

FOR AMARANITA HOLDINGS (INDIA) PRIVATE LIMITED

Sd/-

Amar Singh

Director

Promoter Selling Shareholder

Place: Lucknow

Date: January 10, 2025

DECLARATION

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SIGNED BY PROMOTER GROUP SELLING SHAREHOLDER

Sd/-
Ajai Singh
Promoter Group Selling Shareholder

Place: Lucknow
Date: January 10, 2025

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Addendum to Draft Red Herring Prospectus are true and correct.

SIGNED BY PROMOTER GROUP SELLING SHAREHOLDER

Sd/-
Bimla Singh
Promoter Group Selling Shareholder

Place: Lucknow
Date: January 10, 2025

DECLARATION

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SIGNED BY PROMOTER GROUP SELLING SHAREHOLDER

Sd/-

Vikas Lamba

Promoter Group Selling Shareholder

Place: Lucknow

Date: January 10, 2025

DECLARATION

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SIGNED BY INVESTOR SELLING SHAREHOLDER

Sd/-

Shital Singh Solanki

Investor Selling Shareholder

Place: Lucknow

Date: January 10, 2025

DECLARATION

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SIGNED BY INVESTOR SELLING SHAREHOLDER

Sd/-

Jagjeet Singh Kalsi

Investor Selling Shareholder

Place: Lucknow

Date: January 10, 2025

DECLARATION

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SIGNED BY INVESTOR SELLING SHAREHOLDER

Sd/-

Deepak Kumar Sirohi
Investor Selling Shareholder

Place: Lucknow

Date: January 10, 2025

DECLARATION

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SIGNED BY INVESTOR SELLING SHAREHOLDER

Sd/-
Anchal Sirohi
Investor Selling Shareholder

Place: Lucknow
Date: January 10, 2025

DECLARATION

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SIGNED BY INVESTOR SELLING SHAREHOLDER

Sd/-

Hari Shanker Dixit

Investor Selling Shareholder

Place: Lucknow

Date: January 10, 2025

DECLARATION

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SIGNED BY INVESTOR SELLING SHAREHOLDER

Sd/-
Vikalp Dixit
Investor Selling Shareholder

Place: Lucknow
Date: January 10, 2025

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Addendum to Draft Red Herring Prospectus are true and correct.

SIGNED BY INVESTOR SELLING SHAREHOLDER

Sd/-
Brahm Prakash
Investor Selling Shareholder

Place: Lucknow
Date: January 10, 2025