



Draft Red Herring Prospectus

January 21, 2011

Please read Section 60B of the Companies Act, 1956

100% Book Built Issue

GOODWILL HOSPITAL AND RESEARCH CENTRE LIMITED

(Our Company was incorporated on June 26, 2000 under the Companies Act, 1956 with the Registrar of Companies NCT Delhi & Haryana. We received the Certificate of Commencement of Business on July 14, 2000. The Corporate Identification Number of our Company is U74899DL2000PLC106486. For details of changes in Registered Office of our Company, please see the Section "History and Certain Corporate Matters" on page 61 of this Draft Red Herring Prospectus. There has been no change in the name of our Company since incorporation.

Registered Office: 705, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110 001, Tel.: +91 11 2371 1897, Telefax: +91 11 2331 9995

Promoter: Ojju Medicare Private Limited

Compliance Officer: Mr. Sandeep Singhania, Whole Time Director

Website: www.ojju.org, Email: ipo@ojju.org

PUBLIC ISSUE OF [•] EQUITY SHARES OF RS. 10 EACH OF GOODWILL HOSPITAL AND RESEARCH CENTRE LIMITED ("GOODWILL" OR "THE COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE ("ISSUE PRICE") INCLUDING SHARE PREMIUM OF RS. [•] PER EQUITY SHARE AGGREGATING TO RS. 6,200 LAKHS ALONG WITH ONE DETACHABLE WARRANT PER EQUITY SHARE OFFERED (THE "ISSUE"). THE ISSUE WILL CONSTITUTE [•]% OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF THE COMPANY PRIOR TO EXERCISE OF DETACHABLE WARRANTS AND [•]% OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF THE COMPANY ASSUMING FULL EXERCISE OF DETACHABLE WARRANTS. FOR TERMS OF ISSUE OF WARRANTS, REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 145 OF THE DRAFT RED HERRING PROSPECTUS.

THE PRICE BAND AND THE MINIMUM BID LOT SIZE FOR THE ISSUE WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND ADVERTISED IN ALL EDITIONS OF [•] IN ENGLISH LANGUAGE AND [•] IN HINDI LANGUAGE, ATLEAST TWO WORKING DAYS PRIOR TO THE BID OPENING DATE

In case of revision in the Price Band, the Bidding / Issue Period shall be extended for three additional working days after such revision, subject to the Bidding / Issue Period not exceeding ten working days. Any revision in the Price Band and the revised Bidding / Offer Period, if applicable, shall be widely disseminated by notification to the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager and the terminals of the Syndicate.

The Issue is being made through a 100% Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers. Further, our Company may allocate upto 30% of the QIB Portion to Anchor Investors, out of which one-third will be available for allocation to Domestic Mutual Funds. In the event of under subscription in Anchor Investors Portion, the balance equity shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to mutual funds only and the remaining Net QIB portion shall be available for allocation on a proportionate basis to all Qualified Institutional Buyers, including mutual funds, subject to valid bids being received at or above issue price. Further, not less than 15% of the Issue shall be available for allocation on proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders subject to valid bids being received from them at or above the Issue Price. Any Bidder may participate in the Issue through the Application Supported by Blocked Amount ("ASBA") process by providing the details of their respective bank accounts in which the corresponding Bid amounts will be blocked by Self Certified Syndicate Banks (the "SCSBs"). For details in this regard, specific attention is invited to "Offering Information" on page 150.

RISK IN RELATION TO FIRST ISSUE

This being the first public issue of Equity Shares & Warrants of the Issuer, there has been no formal market for the Equity Shares and Warrants of the Issuer. The face value of the Equity Shares is Rs. 10 per Equity Share and the Issue Price is [•] times of the face value at the lower end of the Price Band and [•] times of face value at the higher end of Price Band. The Issue Price (has been determined and justified by the Book Running Lead Manager and the Issuer as stated under the paragraph on "Basis for Issue Price" given on Page 34 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares and Warrants after the Equity Shares and Warrants are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares and Warrants of the Issuer or regarding the price at which the Equity Shares and Warrants will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue 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 this Offering. For taking an investment decision, investors must rely on their own examination of the Issuer and the Offer including the risks involved. The Equity Shares and Warrants offered in this Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the section titled "Risk Factors" given on Page x of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Issuer having made all reasonable inquiries, accepts responsibility for and confirms that this Offer Document contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in the Offer Document 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 omissions of which makes this offer document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares and Warrants offered through this Draft Red Herring Prospectus are proposed to be listed on the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). In-principle approvals for the listing of the Equity Shares and Warrants of our Company from BSE and NSE has been received vide their letters dated [•] and [•] respectively. For the purpose of this Issue, BSE shall be the Designated Stock Exchange.

IPO GRADING

This Issue has been graded by [•] and has been assigned [•] indicating [•]. The IPO Grading is assigned on a 5 point scale from 1 to 5 with a Grade 5/5 indicating strong fundamentals and 1/5 indicating poor fundamentals. For further details please see the chapter titled "General Information" on page 12 and "Annexure" on Page [•] of Draft Red Herring Prospectus.

BOOK RUNNING LEAD MANAGER		REGISTRAR TO THE ISSUE	
	SPA Merchant Bankers Limited SEBI Regn.: INM 000010825 25, C - Block, Community Centre Janak Puri, New Delhi - 110 058 Tel. +91 11 2551 7371, 4567 5500 Fax +91 11 2553 2644 Email: goodwill.ipo@spagroupindia.com Website: www.spacapital.com Contact Person: Mr. Nitin Somani / Ms. Ashi Mehra		Beetal Financial & Computer Services (P) Limited SEBI Regn.: INR 000000262 Beetal House, 3rd Floor, 99 Madangir Behind Local Shopping Centre, New Delhi - 110 062 Tel.: +91 11 2996 1281 - 83 Fax: +91 11 2996 1284 E-mail: goodwill@beetalfinancial.com Website: www.beetalfinancial.com Contact Person: Mr. S P Gupta

BID / ISSUE PROGRAM

BID / ISSUE OPENS ON*	[•]
BID / ISSUE CLOSES ON (for QIB Bidders)	[•]
BID / ISSUE CLOSES ON (for Non - Institutional & Retail Individual Bidders)	[•]

* Anchor Investors, if any, shall submit their Bid on the Anchor Investor Bidding Date, which is one Working Day prior to the Bid Opening Date.

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DEFINITIONS AND ABBREVIATIONS

Company Related Terms

Term	Description
“Goodwill”, “the Company”, “our Company”, “Issuer”, “we”, “us” or “our”	Unless the context otherwise requires, refers to, Goodwill Hospital and Research Centre Limited, a public limited company incorporated under the Companies Act, 1956
“Group”	Unless the context otherwise required, collectively refers to Goodwill Hospital and Research Centre Limited, Holding Company, Subsidiary Company and entities forming part of the Promoter Group
Articles / Articles of Association / AOA	The Articles of Association of our Company, as amended from time to time
Statutory Auditors / Auditors	The Statutory Auditors of our Company, Chandiok & Guliani, Chartered Accountants, C - 44, Nizamuddin East, New Delhi - 110 013
Board of Directors / the Board / our Board	The Board of Directors of Goodwill Hospital and Research Centre Limited and includes its committee thereof
Directors / our Directors	The Director(s) of Goodwill Hospital and Research Centre Limited, unless otherwise specified
Memorandum / Memorandum of Association / MOA	The Memorandum of Association of our Company, as amended from time to time
Ojjus Fidelity / Subsidiary Company	Ojjus Fidelity Healthcare Private Limited.
OMPL / Holding Company / Promoter	Ojjus Medicare Private Limited.
Registered Office / Our Registered Office	Registered Office of our Company situated at 705, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110 001

Issue Related Terms

Term	Description
Allotment / Allocation	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue
Allottee	The successful Bidder to whom the Equity Shares and Warrants are/ have been issued
Anchor Investor	A Qualified Institutional Buyer applying under the Anchor Investor Portion, with a minimum Bid of Rs. 1,000 lakhs
Anchor Investor Bid	Bid made by an Anchor Investor
Anchor Investor Bidding Date	The date which is one Working Day prior to the Bid Opening Date, prior to or after which the Syndicate will not accept any Bids from Anchor Investors
Anchor Investor Issue Price	The final price at which Equity Shares will be issued and Allotted in terms of the Red Herring Prospectus and the Prospectus to the Anchor Investors, which will be a price equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM
Anchor Investor Portion	Up to 30% of the QIB Portion to be allocated to Anchor Investors by the Company, in consultation with the BRLM, on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Anchor Investor Bids being received from the domestic Mutual Funds, at or above the price at which allocation will be made to Anchor Investors
Applicable allotment date of Warrants	It will be a period of 10 working days (i.e. excluding Sunday and gazetted holidays) from the date of expiry of warrant exercise period.

Term	Description
Application Supported by Block Amount / ASBA	Application Supported by Blocked Amount means an application (whether physical or electronic) subscribing to an Issue containing an authorization to block the Bid Amount in their specified bank account with Self Certified Syndicate Bank
ASBA Bid cum Application Form / ASBA BCAF	The form, whether physical or electronic, used by an ASBA Bidder to make a Bid, which will be considered as the application for Allotment for the purpose of Red Herring Prospectus and Prospectus
ASBA Bidders / ASBA Investors	Any Bidder who intends to apply through ASBA
ASBA Account	Account maintained by an ASBA Bidder with an SCSB which will be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Revision Form	The form used by the ASBA Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their ASBA Bid cum Application Forms or any previous revision form(s)
Bid	An indication to make an offer during the Bidding / Issue Period by a Bidder (including an ASBA Bidder), or on the Anchor Investor Bidding Date by an Anchor Investor, to subscribe to or purchase the Company's Equity Shares at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder on submission of the Bid in the Issue.
Bid cum Application Form	The form used by the Bidder (including the format of such application form used by the ASBA Bidder, whether physical or electronic) in terms of which the Bidder shall make an offer to purchase Equity Shares of the Company in terms of this Red Herring Prospectus.
Bid / Issue Closing Date	Except in relation to Anchor Investors, [●], the date after which the Syndicate and SCSBs will not accept any Bids.
Bid / Issue Opening Date	Except in relation to Anchor Investors, [●], the date on which the Syndicate and SCSBs shall start accepting Bids.
Bidding / Issue Period	The period starting from the Bid / Issue Opening Date and ending on the Bid / Issue Closing Date during which prospective Bidders / ASBA Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof.
Bid Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Price in any of the Bid options as per their Bid cum Application Forms or any previous Bid Revision Form(s)
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form
Book Running Lead Manager / BRLM	SPA Merchant Bankers Limited
Book Building Process	Book building process as provided in Schedule XI of the ICDR Regulations in terms of which this Issue is being made
Cap Price	The higher end of the Price band, above which the Issue Price and Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted, including any revisions thereof
Confirmation of Allocation Note / CAN	The note or advice or intimation of allocation of Equity Shares and Warrants sent to the Bidders / ASBA Bidder who have been allocated Equity Shares and Warrants after discovery of the Issue Price in accordance with the Book Building Process, including any revision thereof.
	In relation to Anchor Investors, the note or advice or intimation of allocation of Equity Shares and Warrants sent to the successful Anchor Investors who have been allocated Equity Shares and Warrants after discovery of the Anchor Investor Issue Price, including any revisions thereof

Term	Description
Controlling Branches	Such branches of the SCSBs which co-ordinate Bids received under this Issue by the ASBA Bidders with the BRLM, the Registrar to the Issue and the Stock Exchange(s)
Cut-off Price	The Issue Price finalized by the Company in consultation with the BRLM.
Designated Branches	Branch offices of the SCSBs which the respective SCSB has identified as a designated branch at which the Physical ASBA Form can be submitted by an ASBA Investor, a list of which is available at http://www.sebi.gov.in/pmd/scsb.html
Designated Date	The date on which the Escrow Collection Banks transfers the funds from the Escrow Account to the Public Issue Account, or the amount blocked by the SCSB is transferred from the bank account of the ASBA Bidder to the ASBA Public Issue Account, as the case may be, after the Prospectus is filed with the Registrar of Companies, NCT of Delhi & Haryana, following which the Board of Directors shall allot Equity Shares and Warrants to successful Bidders.
Designated Stock Exchange	BSE
Draft Red Herring Prospectus / DRHP	The Draft Red Herring Prospectus, dated January 21, 2011 issued in accordance with Section 60B of the Companies Act, 1956, and the SEBI Guidelines which does not contain, inter alia, complete particulars on the price at which the Equity Shares are offered and the size (in terms of value) of the Issue
Electronic ASBA Application / Bid	Submission of ASBA Bid cum Application Form electronically, by an ASBA Investor, through the internet banking facility offered by the SCSBs.
Eligible NRI	NRI from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Red Herring Prospectus constitutes an invitation to subscribe to the Issue
Equity Shares	Equity Shares of our Company of face value Rs 10 each, unless otherwise specified in the context thereof
Escrow Account	Account opened with Escrow Collection Bank(s) for the Issue and in whose favor the bidder (excluding the ASBA Bidder) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement dated [●] entered into between our Company, BRLM, Registrar to the Issue, Syndicate Members and Escrow Collection Bank(s) for collection of the Bid Amounts and remitting refunds, if any, to the Bidder (excluding ASBA Bidder).
Escrow Collection Bank(s)	The banks, which are registered with SEBI as Banker to the Issue and with whom the Escrow Account have been opened, in this case being [●].
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form or the ASBA Bid cum Application Form.
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalized and below which no Bids will be accepted including any revisions thereof
IPO Grading Agency	[●]
Issue	The public issue of [●] Equity Shares aggregating Rs. 6,200 lakhs alongwith one detachable warrant per equity share offered.
Issue Price	The price at which Equity Shares will be issued and allotted in terms of the Red Herring Prospectus or the Prospectus.
Margin Amount	The amount paid by the Bidder or blocked in the account of the ASBA Bidders at the time of submission of the Bid, being 100%, of the Bid amount.
Mutual Fund	A Mutual Fund as registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Fund Portion	5% of the Net QIB portion available for allocation to Mutual Funds only, on a proportionate basis
Non-Institutional Bidders	All Bidders who are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 200,000.

Term	Description
Non-Institutional Portion	The portion of the Issue being not less than 15% of Issue i.e. [●] Equity Shares available for allocation to Non-Institutional Bidders
Net QIB Portion	QIB Portion reduced by the number of Equity Shares allotted to the Anchor Investor
Pay-in Date	The Bid Closing Date, except with respect to Anchor Investors, which shall be the Anchor Investor Bidding Date or a date not later than two Working Days after the Bid Closing Date, as may be applicable
Pay-in-Period	The period commencing in the Bid / Issue Opening Date and extending until the Pay-in Date.
Physical ASBA Application / Bid	ASBA Bid cum Application Forms submitted by an ASBA Investor physically with the designated branches of the SCSBs.
Price Band	Price band of a minimum Floor Price of Rs. [●] and a maximum Cap Price of Rs. [●] respectively, including revisions thereof. The Price Band and the minimum Bid lot size for the Issue will be decided by our Company, in consultation with the BRLM and advertised in all editions of [●] in English language and [●] in Hindi language, atleast two Working Days prior to the Bid Opening Date
Pricing Date	The date on which Company in consultation with the BRLM finalizes the Issue Price
Promoters	Ojjus Medicare Private Limited
Prospectus	The Prospectus to be filed with the RoC pursuant to Section 60 of the Companies Act, containing, inter alia, the Issue Price that is determined at the end of the Book Building process, the size of the Issue and certain other information, and including any corrigendum thereof.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the Escrow Account(s) and from the SCSBs from the bank account of the ASBA Bidders, on the Designated Date
Qualified Institutional Buyers / QIBs	Public financial institutions as specified in Section 4A of the Companies Act, FIIs registered with SEBI, scheduled commercial banks, mutual funds registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 lakhs, pension funds with minimum corpus of Rs. 2,500 lakhs, National Investment Fund set up by Resolution No. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India and insurance funds set up and managed by the army, navy or air force of the Union of India
QIB Portion	The portion of the Issue being not more than 50% of the Issue, i.e., [●] Equity Shares, to be allotted to QIBs, including Anchor Investor Portion
Red Herring Prospectus	The Red Herring Prospectus dated [●] to be filed with the RoC in terms of Section 60B of the Companies Act, which do not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue, and which will be filed with the RoC atleast three days before the Bid Opening Date and will become a Prospectus after filing with the RoC after the Pricing Date.
Refund Banker(s)	[●]
Refund Account	Account opened with the Refund Banker(s) from which the refunds of the whole or part of the Bid Amount (excluding to the ASBA Bidders), if any, shall be made.
Refund through electronic transfer of funds	Refunds through ECS, Direct Credit or RTGS, or the ASBA process, as applicable
Registrar to the Issue	Beetal Financial & Computer Services Private Limited

Term	Description
Registrar of Companies / RoC	Registrar of Companies NCT Delhi and Haryana, IFCI Tower, Nehru Place, New Delhi - 110 019
Retail Individual Bidder(s)	Individual Bidders (including HUFs and eligible NRIs) who have not Bid for Equity Shares for an amount more than or equal to Rs. 200,000 in any of the bidding options in the Issue.
Retail Portion	The portion of the Issue being not less than 35% of the Issue i.e. [●] Equity Shares available for allocation to Retail Individual Bidder(s).
SPA	SPA Merchant Bankers Limited
Self Certified Syndicate Bank / SCSB	SCSB is a Bank registered under the SEBI (Bankers to an Issue) Regulations 1994, which offers the facility of applying through the ASBA process and is recognized by SEBI. ASBA Bid cum application forms can be accepted only by SCSBs.
Stock Exchanges	The BSE and the NSE.
Syndicate Agreement	Agreement dated [●] entered into between our Company, BRLM and Syndicate Members in relation to the collection of Bids in this Issue (excluding Bids from the ASBA Bidders).
Syndicate Members	[●]
TRS / Transaction Registration Slip	The slip or document issued by the Syndicate to the Bidder as proof of registration of the Bid.
Underwriters	[●]
Underwriting Agreement	Agreement dated [●] entered into between our Company and the Underwriters to be entered on or after the Pricing Date.
Warrant(s)	<p>Detachable warrants (optionally convertible) being issued to every person whom equity shares shall be allotted pursuant to the Issue in the ratio of one Warrant per Equity Share offered in accordance with the terms and conditions as mentioned in the Chapter “Terms of the Issue” on page 145 of the Draft Red Herring Prospectus.</p> <p>Each such detachable warrant shall be listed and tradable on the Stock Exchange.</p>
Warrant Exercise Period	The period of 30 days commencing from the completion of 13 months from the date of allotment of warrant.
Warrant Exercise Price	<p>The warrant exercise price shall be an amount that is at a discount of 20% to the then prevailing market price of the equity shares of the Company at the time of exercise of warrants.</p> <p>The “then prevailing market price” shall be the average of the daily closing prices of the equity shares on the stock exchange during the one month period ending immediately on completion of the period of 13 months from the date of allotment of warrants under this Issue. The share price for that stock exchange will be considered in which the highest trading volume in respect of the equity shares of our Company has been recorded during the aforesaid one month period.</p> <p>The Warrant exercise price would be advertised by us in an English National Daily and one Hindi National Daily with wide circulation (including the place where our Registered Office is situated). The said warrant exercise price shall be advertised within three working days of the beginning of warrant exercise period.</p>

Conventional and General Terms / Abbreviations

Term	Description
Act or Companies Act	The Companies Act, 1956, as amended from time to time

Term	Description
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
BIFR	Board for Industrial and Financial Reconstruction
BSE	Bombay Stock Exchange Limited
CARO	Companies (Auditors' Report) Order, 2003
CDSL	Central Depository Services (India) Limited
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL and CDSL
Depository Participant / DP	A depository participant as defined under the Depositories Act
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings per Equity Share
ESOP / ESOS	Employees Stock Option Plan / Employees Stock Option Scheme
ESPP / ESPS	Employees Stock Purchase Plan / Employees Stock Purchase Scheme
ESOP Guidelines	Securities & Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 2000
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed hereunder
Foreign Institutional Investor / FII	Foreign institutional investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995) registered with SEBI under applicable laws in India
Financial Year / Fiscal Year / FY	Twelve months ending on March 31 of a particular year
FIs	Financial Institutions
FVCI	Foreign venture capital investor, registered with SEBI under the SEBI (foreign venture Capital Investor) Regulations, 2000
HUF	Hindu Undivided Family
ID Act	Industrial Dispute Act
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public issue/ offering
NAV	Net Asset Value
Non Residents	All Bidders who are not NRIs or FIIs and are not persons resident in India
NRE Account	Non Resident External Account
NRI / Non Resident Indian	A person resident outside India, as defined in FEMA and who is a citizen of India or a Person of Indian Origin, and as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
RBI	Reserve Bank of India
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulations) Rules, 1957 as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI effective from August 26, 2009, as amended, including instructions

Term	Description
	and clarifications issued by SEBI from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997, as amended
SSI Undertaking	Small Scale Industrial Undertaking
Venture Capital Funds / VCF	Venture Capital Funds as defined and registered with SEBI under the SEBI (Venture Capital Fund) Regulations, 1996, as amended from time to time

Industry related terms / Abbreviations

Term	Description
AVM	Arteriovenous Malformations
CABG	Coronary Artery Bypass Graft
CAG	Coronary Angiography
CAGR	Compound Annual Growth Rate
CGHS	Central Government Health Schemes
CHC	Community Health Center
CISF	Central Industrial Security Force
CT	Computed Tomography
DIPP	Department of Industry Policy and Promotion
DSA	Digital Subtraction Angiography
DTC	Delhi Transport Corporation
ECG	Electrocardiography
ECHS	Ex Servicemen Contributory Health Scheme
ELISA	Enzyme-linked immunosorbent assay
ENT	Ear Nose Throat
FICCI	Federation of Indian Chambers of Commerce and Industry
GDP	Gross Domestic Product
HUDA	Haryana Urban Development Authority
ICU	Intensive Care Unit
IPD	Inpatient department
KRIBHICO	Krishak Bharati Cooperative Limited
MRI	Magnetic Resonance Imaging
NABH	National Accreditation Board for Hospitals
NABL	National Accreditation Board for Laboratories
NIMHANS	National Institute of Mental Health & Neuro Sciences
NRHM	National Rural Health Mission
NSSO	National Sample Survey Office
O & M	Operation and Management
OPD	Outpatient department
OT	Operation Theatre
PET	Positron Emission Tomography
PFT	Pulmonary Function Test
PHC	Primary Healthcare
PPP	Public Private Partnership
PTCA	Percutaneous Transluminal Coronary Angioplasty
TMT	Treadmill Test
WAN	Wide Area Network
WHO	World Health Organization
X-rays	X-radiations

CURRENCY OF FINANCIAL PRESENTATION

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Goodwill Hospital and Research Centre Limited”, unless the context otherwise indicates or implies, refers to Goodwill Hospital and Research Centre Limited. In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “ten lac / lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Throughout this Draft Red Herring Prospectus, all figures have been expressed in millions. Unless indicated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our restated financial statements prepared in accordance with Indian GAAP and included in this Draft Red Herring Prospectus. Unless indicated otherwise, the operational data in this Draft Red Herring Prospectus is presented on a basis and refers to the operations of our Company. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

There are significant differences between Indian GAAP and U.S. GAAP; accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

For additional definitions used in this Draft Red Herring Prospectus, see the section Definitions and Abbreviations on page (i) of this Draft Red Herring Prospectus. In the section titled “Main Provisions of Articles of Association”, defined terms have the meaning given to such terms in the Articles of Association of our Company.

USE OF MARKET DATA

Unless stated otherwise, market data used throughout this Draft Red Herring Prospectus was obtained from internal Company reports, data, websites and industry publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source.

FORWARD LOOKING STATEMENT

We have included statements in this Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industries in which we operate;
- Increased competition in these industries;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in technology;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our actual results to differ, please refer to the sections titled “Risk Factors” “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of the Operations” on pages (x), 48 and 121, of this Draft Red Herring Prospectus 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 gains or losses could materially differ from those that have been estimated. Neither we, our Directors nor the members of 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 SEBI requirements, the Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

RISK FACTORS

An investment in equity shares and warrants 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 and Warrants. The risks and uncertainties described in this section are not the only risk we may face. If any of the following risks actually occur, our business, financial condition and results of operations could suffer, the trading price of our Equity Shares and / or Warrants could decline, and you may lose all or part of your investment. Unless otherwise stated in the relevant risk factors set below, we are not in a position to specify or quantify the financial or other implications of any risk mentioned herein. In making an investment in this Issue, prospective investors must rely on their own examination of our Company and terms of the Issue. The numbering of the Risk Factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

INTERNAL RISK FACTORS

- 1. *We are party to certain legal proceedings that, if decided against us, could have an adverse effect on our financial condition and results of operations.***

We are party to some legal proceedings. No assurances can be given as to whether these proceedings will be settled in our favor or against us. If a claim is determined against us and we are required to pay all or a portion of the disputed amount, it could have an adverse effect on the results of operations and cash flows of our Company. A brief details relating to the cases are mentioned below:

Nature of Litigations	No. of Cases	Amount involved
Employee related litigation	1	Rs. 1.69 lakhs

In addition, some of our Directors are involved in certain litigations and statutory notices have been issued against them in their personal capacity.

For details on the litigation proceedings against our Company and our Promoters, Subsidiary, Promoter Group Companies, Director and Directors of our Promoters, please refer to section titled “Outstanding Litigations and Material Developments” on page 129 of Draft Red Herring Prospectus.

- 2. *The funding requirements and the deployment of the proceeds of the Issue are based on management estimates and have not been independently appraised. Further, the deployment of the Issue proceeds is entirely at our discretion and is not subject to any monitoring by an independent agency.***

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and have not been appraised by any bank or financial institution. Further, such estimates are based on market conditions and management expectations as of the date they were made. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. Significant revisions to our funding requirements or the deployment of Issue proceeds may result in the rescheduling of our resource raising programs and an increase or decrease in our proposed expenditure for a particular object.

Further we have not appointed any independent monitoring agency to monitor the utilization of the proceeds raised from this Issue. The Issue proceeds will be utilized at the sole discretion of the Board of Directors of our Company. For further details please refer to section titled “Objects of the Issue” on page 25 of the Draft Red Herring Prospectus.

3. ***We have not yet entered into definitive agreements to utilize the proceeds of the Issue. Any delay in finalization and placement of order for machinery and equipments or taking possession of space for proposed diagnostic centre and polyclinics may have an adverse impact on our Company's operations.***

We have not entered into any definitive agreement or placed any orders for the projects for which funds are proposed to be raised through this Issue. Whilst the quotations obtained by us for equipment, installations or civil works in connection with such projects are described in "Objects of the Issue" on page 25 of the Draft Red Herring Prospectus, such costs are subject to change in the light of various factors beyond our control, including delays or increase in quoted prices by identified vendors. Our inability to complete the identified projects as per the stated schedules of implementation may lead to cost overruns and may impact our future profitability.

Also the requirement of miscellaneous surgical equipments, computers, office and miscellaneous equipments and security deposits for setting up polyclinics aggregating to Rs. 627.00 lakhs are purely management estimates and not based on quotations from vendors.

4. ***We have a high Total Debt - Equity ratio of 3.15 as on November 30, 2010 and 4.57 as on March 31, 2010***

We have undertaken major expansions in hospital and purchased advanced medical equipments and machines within the short span of 3 years. These have been funded through a mix of debt, equity and internal accruals. Consequent to this, our Total Debt to Equity Ratio as on November 30, 2010 is 3.15 and March 31, 2010 was 4.57, which is on the higher side. Our capacity to service the debt depends on our continued profitability as demonstrated in the past. In case we are not able to achieve the required growth, due to internal constraints or external factors like adverse developments in the industry or introduction of new technologies, we may find it difficult to service the debt and this will have an impact on the return to the shareholders.

5. ***Operations of our hospital are subject to risks including disruption in or lack of basic infrastructure such as electricity, and water supply which could increase our operating cost or interrupt our business operation***

We currently own and operate hospital in Noida. We are exposed to risk including disruptions in infrastructure facilities such as electricity and water supply which could require us to incur additional cost to the extent that we would be required to find alternative sources of supply of such infrastructural facilities. Further if our suppliers fail to deliver necessary equipments / medicines or adequately perform the services outsourced to them, our services may be disrupted. Any such development could have a material adverse affect on our business and results of operations.

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

Our performance and the execution of our growth strategy depend substantially on our ability to attract and retain leading doctors and other healthcare professionals. We compete for these personnel with other healthcare providers.

The market for doctors is highly competitive and there is a general shortage of doctors in India. The factors that doctors consider important before deciding where they will work include the level of compensation, the reputation of the hospital and its owner, the quality of the facilities, research opportunities and community relations. We may not compare favorably with other healthcare providers on these factors. Many of these healthcare professionals are well-known personalities in their fields and regions with large patient bases and referral networks, and it may be difficult to negotiate favorable terms and arrangements with them. Our performance also depends on our ability to identify, attract and retain other healthcare professionals, including nurses, to support the multi-specialty and

super-specialty practices at our hospital. In particular, the worldwide nursing shortage may make it difficult for us to attract and retain nurses who may choose to pursue similar opportunities abroad and may also cause salaries and wages for nurses to rise.

If we are unable to attract or retain doctors or other medical personnel as required, we may not be able to maintain the quality of our services and we could be forced to admit fewer patients to our hospitals. We are also highly dependent on members of our senior management team to manage our current operations and meet future business challenges.

7. *Our arrangements with some of our doctors may give rise to conflicts of interest and time-allocation constraints and adversely affect our operations.*

Our arrangements with some of the specialty doctors whom we engage as consultants, also permit them to maintain their own private practices, as well as positions at a limited number of other hospitals. Certain of our most senior doctors may also maintain positions at local clinics or affiliations with teaching hospitals. These arrangements may give rise to conflicts of interest, including with regard to how these doctors allocate their time and other resources between our hospitals and other clinics or hospitals at which they work and where doctors refer patients. Such conflicts may prevent us from providing a high quality of service at our hospital and adversely affect the level of our patient intake.

8. *We operate in a fragmented industry and face increasing competition from other hospitals and healthcare providers, which may have adverse effects on our competitive position and results of operations.*

We compete with government owned hospitals, other private hospitals, smaller clinics, hospitals owned or operated by non-profit and charitable organizations and hospitals affiliated with medical colleges. We will also have to compete with any future healthcare facilities in the region in which we operate. Moreover, some of these competitors may be more established and have greater financial, personnel and other resources than our hospital. In particular, our competitors include hospitals owned or managed by government agencies and trusts, which may be able to obtain financing or make expenditures on more favorable terms than private hospitals owned and managed by for-profit interests, such as ourselves. In addition, even in situations where one of our hospital is the dominant or sole provider of healthcare in a region, patients may yet favor other hospitals. New or existing competitors may price their services at a significant discount to ours or offer greater convenience or better services or amenities than we provide. Smaller hospitals, stand-alone clinics and other hospitals may exert pricing pressures on some or all of our services and also compete with us for doctors and other medical professionals. If we are forced to reduce the price of our services or are unable to attract patients and doctors and other healthcare professionals to our hospitals, our business and financial results may be adversely affected. For further details, see the section titled “Our Business - Competition” on page 54 of this Draft Red Herring Prospectus.

9. *Our gross income is dependent on inpatient income and occupancy rates, which could decline due to a variety of factors adversely affecting our business and results of operation.*

Our major source of gross income is from inpatient treatments. Growth in inpatient income and increasing or maintaining occupancy rates at our hospital is highly dependent on wider acceptance in the communities in which we operate, our ability to attract and retain well-known and respected doctors, our ability to offer the most desired services in the communities in which we operate, our ability to develop “super-specialty” practices and our ability to compete effectively with other hospitals and clinics. Growth in inpatient income may also be impaired by the absence of a developed health insurance sector in the area we operate, lack of appropriate government programs and the small proportion of people in India with health insurance. Our inability to increase growth in inpatient treatments or occupancy rates may adversely affect our business and results of operations.

10. Compliance with applicable safety, health, environmental and other governmental regulations may be costly and adversely affect our competitive position and results of operations.

We are subject to central and local laws, rules and regulations governing, including for conduct of our operations, additions to facilities and services, adequacy of medical care, quality of medical equipment and services, discharge of pollutants to air and water and handling and disposal of bio-medical, radioactive and other hazardous waste, qualifications of medical and support personnel, confidentiality, maintenance and security issues associated with health-related information and medical records; and screening, stabilization and transfer of patients who have emergency medical conditions.

Safety, health and environmental laws and regulations in India are stringent and it is possible that they will become significantly more stringent in the future. If we are held to be in violation of such regulatory requirements, including conditions in the permits required for our operations, by courts or governmental agencies, we may have to pay fines, modify or discontinue our operations, incur additional operating costs or make capital expenditures. Any public interest or class action legal proceedings related to such safety, health or environmental matters could also result in the imposition of financial or other obligations on us. Any such costs could adversely affect our competitive position and results of operations. For more information on the regulations applicable to us, see the section titled “Key Industry Regulations” on page 58 of this Draft Red Herring Prospectus.

11. Rapid technological advances, technological failures and other challenges related to our medical equipment could adversely affect our business.

We use sophisticated and expensive medical equipment in our hospitals to provide services. Medical equipment often needs to be replaced frequently as innovation can rapidly make existing equipment obsolete. Replacement of equipment may involve significant costs, as well as foreign currency risks, since some equipment is imported from other countries. In addition, because of the high costs of medical equipment, we may not maintain back-up equipment and, therefore, if such equipment is damaged or breaks down, our ability to provide services to our patients may be impaired.

12. We may be subject to restrictive covenants, including restriction on raising of further capital or to pay dividend, under term loans and working capital facilities provided to us by our Banker.

We have availed of several loans and financial facilities from Bank of India. In respect of various agreements entered into by our Company with our Lender and sanction letters issued by them to us, we are bound by certain restrictive covenants regarding capital structure and other general restrictive covenants.

For details of the loans availed, please refer to section titled "Financial Indebtedness" on page 120 of this Draft Red Herring Prospectus. In compliance with such restrictive covenants, we have obtained the consent from Bank of India for the proposed issue.

13. The Company may require a number of approvals, licenses, registrations and permits for its business(s) and the failure to obtain or renew them in a timely manner may adversely affect its operations.

We require a number of approvals, licenses, registrations and permits for its business(s). Additionally, it may need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. For more information, please refer section titled “Government and Other Approvals” on page 133 of the Draft Red Herring Prospectus.

Furthermore, the government approvals and licenses are subject to various conditions. If it fails to comply, or a regulator claims that the Company has not complied with these conditions, its business, financial position and operations would be materially adversely affected.

As on date, we have applied for following approval, application for which are pending for approval:

- Application dated July 06, 2010 submitting the policies required for NABH Accreditation as per the NABH Guidelines to the office of Deputy Director, Quality Council of India. We are awaiting observations from the office of Deputy Director.
- Application for the NABL accreditation. The Accreditation Officer NABL had issued observations to us on the documents submitted. We have made the necessary changes as per the NABL requirement and replied vide our letter dated December 01, 2010. We are awaiting response from the Accreditation Officer, NABL on the changes submitted by us.
- Application with the U.P. Pollution Control Board for the consent to operate under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981.
- Application with the U.P. Pollution Control Board for the consent to operate under Section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974.

14. We have limited history of operations and our Promoter does not have past record in running hospitals.

We have commenced our hospital operations only in 2002 at a small level. It was only in December 2007, when our present Promoter took over the control and management of our Company and thereafter increased the scale of operations with addition of various high end medical equipments with specialization in treatment of critical ailments. As a result we have a limited history of operations upon which you can evaluate us or our prospects. Further our Promoter, Ojjus Medicare Private Limited and its Promoter, do not possess past experience in running hospital or medical facilities.

15. The Company and the officers in default have filed applications under Section 621A of the Companies Act for compounding of certain offences committed under sections 269, 295 and 383A of the Companies Act, 1956.

The Company had given certain loan to one of the Promoter Group Company which is not in due compliance of the provisions of section 295 of the Companies Act, 1956. Pursuant to the provisions of section 295 of the Companies Act, 1956, the person who is in default may be punishable with fine which may extend to fifty thousand rupees or imprisonment for a term which may extend to six months. The Company and the officers in default have filed application(s) under section 621A with the ROC for compounding of contraventions of the provisions of the said section of the Companies Act, 1956.

In terms of Section 269 of the Companies Act, 1956, every Company having a paid up share capital of more than Rs. 500 lakhs shall appoint any Director as Managing Director or Whole Time Director. Our Company had not appointed any Managing Director or Whole Time Director for certain period. The Company have filed application(s) under section 621A with the ROC for compounding of contraventions of the provisions of the said section of the Companies Act, 1956.

In terms of Section 383A of the Companies Act, 1956, every Company having a paid up share capital of more than Rs. 200 lakhs shall appoint a full time Company Secretary. Our Company had not appointed any Company Secretary for certain period. The Company have filed application(s) under section 621A with the ROC for compounding of contraventions of the provisions of the said section of the Companies Act, 1956.

16. Our Promoter, Subsidiary Company and certain of our promoter group entities have incurred losses during recent fiscal years.

Our Promoter, our Subsidiary and some of our Promoter Group entities have incurred losses in recent fiscal years, details of which are given below:

(Rs. In millions)

Name of the Company	March 31, 2010	March 31, 2009	March 31, 2008
Promoter			
Ojjus Medicare Private Limited	(0.07)	-	(14.47)
Subsidiary			
Ojjus Fidelity Healthcare Private Limited	(11.93)	(154.07)	(0.29)
Promoter Group			
HN Properties Private Limited	-	-	(0.36)
Karina Healthcare Private Limited	(44.11)	-	-

17. We have entered into a number of related party transactions, which may involve conflict of interest

We have entered into a number of related party transactions. Such transactions or any future transactions with related parties may potentially involve conflicts of interest and impose certain liabilities on our Company. For further details, see the section titled “Standalone Financial Statements - Related Party Transactions” on page 95 of the Draft Red Herring Prospectus.

18. Any future equity offerings or issue of options under future employee stock option scheme may lead to dilution of investor’s shareholding in our company.

Purchasers of Equity Shares in this Issue may experience dilution of their shareholding to the extent we make future equity offerings and to the extent we decide to grant options to be issued under an employee stock option scheme. We do not have any ESOP scheme currently.

19. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

Our company has not declared any dividend during the preceding five financial years. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will be able to pay dividends.

20. Our of our promoter group company, Karina Healthcare Private Limited have objects conflicting with our business

Our promoter group company viz. Karina Healthcare Private Limited, have objects similar to our company and are of conflicting nature. However, we have entered into Non-Compete Agreements with it whereby they have agreed not to execute any of the services offered by us. For details on the Non-Compete Agreement, please see the chapter titled “History and Certain Corporate Matters” on page 61 of the Draft Red Herring Prospectus.

21. Our Registered office is not owned by us. If the owner of premises does not renew the lease agreement, our business operation may suffer disruption

We do not own the premises where our registered office is situated. We are using the premises licensed to us by one of our Directors, Mr. Harvansh Chawla. Mr. Harvansh Chawla is the lessee of the premises and authorized to use the premises for the purpose of a firm or professional company where he is a proprietor or director or shareholder as per lease agreement with owners of the premises. As per agreement executed between us and Mr. Harvansh Chawla, our Company is authorized to occupy and use the premises as our registered office. The lease agreements for facilities are renewable on mutual consent upon payment of such rates as stated in these agreements.

If the lease agreement of Mr. Harvansh Chawla with the owner of the premises is not renewed or Mr. Harvansh Chawla does not renew the agreement under which we occupy the premises or renew such agreements on terms and conditions that are unfavorable to us, we may suffer a disruption in our

operations which could have an adverse effect on our business. For details of said agreement, please refer to section “History and Certain Corporate Matters” on page 61 of the Draft Red Herring Prospectus.

22. *The trademark “Ojjus Medicare and logo being used is not owned by us. If the licence to use is withdrawn by the owner, it may affect our business.*

Our intellectual property consists mainly of our rights to use “Ojjus Medicare” name and logo. We do not own any trademark for our name, logo or slogans. One of our Directors, Mr. Harvansh Chawla has filed applications for registration of aforesaid name and logo in his name. Our Company has been licensed by Mr. Harvansh Chawla to use the trademark “Ojjus Medicare” in connection with our healthcare business.

23. *We face the risk of potential liabilities from lawsuits or claims by customers.*

We face the risk of legal proceedings and claims being brought against us by our patients / customers for any deficiency in our services or any defective product sold to them. We could face liabilities should our patients / customers face any loss or damage.

24. *We have issued Equity Shares in last twelve months and the price of such issuances is lower than the Issue Price*

We have issued certain Equity Shares to our Promoter, in the last twelve months, at a price lower than the Issue Price. Details of such issuances are in the table set out under the section titled “Capital Structure” on page 18 of the Draft Red Herring Prospectus..

25. *Our Promoters may have the ability to determine the outcome of any shareholder resolution.*

Our Promoter Group will continue to be the largest shareholders, holding [●]% of equity capital of the company after the Issue assuming full exercise of warrants. As significant shareholders, our Promoters may have interests which may affect the interests of shareholders and /or our interests and may have the ability to determine the outcome of any shareholder resolution.

EXTERNAL RISK FACTORS

26. *Any changes in the regulatory framework could adversely affect our operations and growth prospects*

We are subject to various regulations and policies. For details see section titled “Key Industry Regulations” on page 58 of this Draft Red herring Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that we will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

27. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse affects on our operations and financial performance.*

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

28. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our business and financial performance, ability to obtain financing for capital expenditures and the price of our Equity Shares.

29. Regional or International hostilities, terrorist attack or other acts of violence of war could have a significant adverse impact on international or Indian financial markets or economic conditions or on Government Policy. Such incidents could also create a greater perception that investment in Indian Companies involves a higher degree of risk and could have an adverse impact on our business and on the market price of our company's equity shares.

30. Investors will not receive the Equity shares purchased in this issue until several days after they have paid for them, which will subject them to market risk.

The Equity Shares purchased in this issue will not be credited to investor's demat account with depository participants until approximately 10 working days from the Bid / Issue closing date. Investors can start trading only after receipt of listing and trading approvals in respect of these Equity Shares which will require additional time after the credit of Equity shares into Investors demat account. Further, there can be no assurance that the equity Shares allocated will be credited to investor's demat account, or that the trading in the equity shares will commence, within the time periods specified above.

31. An active market for the Equity shares may not develop which may cause the price of the equity shares to fall and may limit investor's ability to sell the Equity Shares.

The Equity Shares are new issues of securities for which there is currently no trading market. Applications have been made to the BSE and NSE for the Equity Shares to be admitted to trading on the BSE and NSE. No assurance can be given that an active trading market for the equity shares will develop or as to the liquidity or sustainability of any such market, the ability of the holders of the Equity Shares to sell their Equity Shares or the price at which share holders will be able to sell their Equity Shares if an active market for the Equity Shares fail to develop or be sustain, the Trading price of the Equity Shares could fall. If an active trading market were to develop, the Equity Shares could trade at price that could be lower than the original Equity price of the issue.

32. The market value of the Equity Shares may fluctuate due to the volatility of the securities markets.

The securities markets are volatile and stock exchanges have in the past, experienced substantial fluctuations in the prices of listed securities. The stock exchanges have experienced problems, which, if these were to continue or recur, could affect the market price and liquidity of the securities of Indian Companies, including the Equity Shares. The governing bodies of the various Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, time to time disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on the market sentiment.

33. Future issues or sales of equity Shares of our company may significantly affect the trading price of the Equity Shares.

Future issue of Equity Shares / convertible instruments by our company or the disposal of Equity Shares by any of the major shareholders or the perception that such issues or sales may occur may significantly affect trading price of the Equity Shares. Other than the lock-in of Pre-issue capital as prescribed under SEBI ICDR Regulations, none of the shareholders are subject to any lock-up

arrangements restricting their ability to issue Equity Shares or the Shareholder's ability to dispose of their Equity Shares, and there can be no assurance that any shareholder will not dispose of, encumber, or pledge, his shares.

PROMINENT NOTES:

1. Public issue of [●] equity shares of Rs. 10 each of Goodwill Hospital and Research Centre Limited for cash at a price of Rs. [●] per equity share ("Issue Price") including share premium of Rs. [●] per equity share aggregating to Rs. 6,200 lakhs alongwith one detachable warrant per equity share offered (the "Issue"). The Issue will constitute [●]% of the fully diluted post issue paid-up capital of our Company prior to exercise of detachable warrants and [●]% of the fully diluted post issue paid-up capital of our Company assuming full exercise of detachable warrants.
2. Under subscription, if any, in any category would be met with spill-over from other categories or a combination of categories in accordance with applicable laws, regulations and guidelines. Investors may note that in case of over-subscription in the Issue, allotment to QIB Bidders, Non-Institutional Bidders and Retail Individual Bidders shall be on a proportionate basis.
3. The average cost of acquisition of our Equity Shares by our Promoter, Ojjus Medicare Private Limited is Rs. 14.69 per equity share. For more information, see the section titled "Capital Structure" on page 18 of the Draft Red Herring Prospectus. The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking the average of the amounts paid by them to acquire the Equity Shares currently held by them.
4. The Net Worth of our Company and net asset value per equity share as on March 31, 2010 and November 30, 2010 as per the restated financial statements of our Company prepared as per Indian GAAP and disclosed in the section titled "Financial Statements" on page 86 and 105 respectively of the Draft Red Herring Prospectus is as under:

Particulars	Consolidated financial statements		Standalone financial statement	
	November 30, 2010	March 31, 2010	November 30, 2010	March 31, 2010
Net Worth (Rs. in lakhs)	2,552.10	1,324.05	2,555.69	1,324.06
Net Asset Value (in Rs.)	28.36	26.48	28.40	26.48

5. No part of the issue proceeds will be paid as consideration to our Promoters, our Directors, our key managerial employees or our promoter group companies or ventures except as mentioned in section "Interest of Directors", "Interest of Promoters" and "Interest of Key managerial Personnel" in normal course of business, as given on page 71, 78 and 76 of this Draft Red Herring Prospectus respectively.
6. Our Company has entered into certain related party transactions as disclosed in the "Standalone Financial Statements - Related Party Transactions" on page 95 of this Draft Red Herring Prospectus. The summary of such related party transactions and their aggregate value during the financial years ended March 31, 2010, 2009 and 2008 as per the restated standalone financial statements are set forth below:

(Rs. in lakhs)					
Sr. No.	Particulars	November 30, 2010	March 31, 2010	March 31, 2009	March 31, 2008
1	Investment in Subsidiary	0.44	613.53	-	-
2	Unsecured Loan	309.26	325.10	963.43	-
3	Loan given	42.79	57.19	9.88	-
4	Interest	13.30	27.06	11.84	-
5	Professional Charges	9.00	-	0.003	0.003
6	Share application money received	-	400.00	549.56	-

Sr. No.	Particulars	November 30, 2010	March 31, 2010	March 31, 2009	March 31, 2008
7	Allotment of shares against share application money	400.00	-	-	-
8	Payment of Share application money of Subsidiary Company	-	612.53	-	-
	Total	774.79	2035.41	1534.71	0.003

7. None of the Promoter Group Companies have any business interest or other interest in our Company.
8. Our Promoter Group, Directors and their relatives have not financed the purchase by any other person of the equity shares of our Company during the period of six months immediately preceding the date of filing of Draft Red Herring Prospectus with the SEBI.
9. Other than as stated in the section titled “Capital Structure” on page 18 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration other than cash.
10. The Investors are advised to refer to the paragraph on “Basis for Issue Price” on page 34 of this Draft Red Herring Prospectus before making any investment in this Issue and “Basis of Allotment” on page 168 of this Draft Red Herring Prospectus.
11. Trading in the Equity Shares and Warrants of our Company for all investors shall be in dematerialized form only. For further details, see the section titled “Offering Information” on page 150 of this Draft Red Herring Prospectus.
12. There has been no change in the name of our Company since incorporation.
13. Our Company and the BRLM will update the offer document in accordance with the Companies Act and the SEBI ICDR Regulations and our Company and the BRLM will keep the public informed of any material changes relating to our company till the listing of our shares on the Stock Exchanges. No selective or additional information would be made available to a section of investors in any manner whatsoever.
14. Any clarification or information relating to the Issue shall be made available by the BRLM, Compliance Officer and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever.
15. Investors may contact the BRLM, the Registrar to the Issue or the Compliance Officer for any complaints, clarifications, etc. pertaining to the Issue.

SUMMARY OF INDUSTRY AND BUSINESS

This is only a summary and does not contain all the information that you should consider before investing in our Equity Shares and Warrants. You should read the following summary with the risk factors on page (x) of this Draft Red Herring Prospectus and the more detailed information about Goodwill Hospital and Research Centre Limited and the financial statements included in this Draft Red Herring Prospectus.

INDUSTRY OVERVIEW

INDIAN ECONOMY OVERVIEW

Indian economy has been witnessing a phenomenal growth since the last decade. As per the Revised Estimates (RE) of Central Statistical Organization (CSO), the growth in gross domestic product at factor cost at constant (2004-05) prices was estimated at 7.4 per cent in 2009-10 over the Quick Estimates of GDP for the year 2008-09. As per the latest estimates available on the Index of Industrial Production (IIP), The General Index stood for November 2010 at 317.90, which is 2.7% higher as compared to the level in the month of November 2009. The cumulative growth for the period April - November 2010-11 stands at 9.5% over the corresponding period of the previous year. The indices of industrial production for mining, manufacturing and electricity, registered growth rates of 6.0%, 2.3% and 4.6%, respectively for the month of November 2010 as compared to November 2009. The cumulative growth during April - November 2010-11 over the corresponding period of 2009-10 in the three sectors have been 8.0%, 10.0% and 4.5% respectively. In terms of industries, as many as nine (9) out of the seventeen (17) industry groups (as per 2-digit NIC-1987) have shown positive growth during the month of November 2010 as compared to the corresponding month of the previous year.

The Foreign Direct Investment (FDI) investment has gone up from USD 34.84 Billion in 2007-08 to USD 37.76 Billion in 2009-10 as per provisional figures by RBI. Total FDI inflows in India for eight months ending November 2010 stood at USD 19.00 Billion and the cumulative amount of FDI inflows from April 2000 - November 2010 amounts to US\$ 186.79 Billion.

INDUSTRY OVERVIEW

The health industry has emerged as one of the most challenging sectors as well as one of the largest service sector industries in India with an estimated revenue of US\$35 billion; it constitutes 5.2% of India's GDP and employs 4 million people. The Indian health industry is expected to grow at 15% per annum to US\$78.6, reaching 6.1% of GDP and employing 9 million people by 2012. It is expected to become a US\$ 280 billion industry by 2020.

Recognizing the significant potential and challenges in the health sector, the government has prioritized it in the Eleventh Five Year Plan. The private sector plays a significant role by contributing 4.3% of GDP and 80% share of healthcare provision. However, deficiencies persist with respect to access, affordability, efficiency, quality and effectiveness, despite the high level of overall private and public expenditure on health.

The Indian Healthcare Industry

The Healthcare Sector in India comprises of hospitals and allied sectors such as diagnostics and pathology, medical equipments and supplies, medical tourism and private medical insurance. During the period 2000-09, the sector has registered a growth of 9.3%. The share of private expenditure as to the total expenditure on health has grown from about 60% to almost 80% over the last decade. The current share of public expenditure on health is 20%. With a view to raise government expenditure on health as a proportion of GDP to 2-3 % by 2012, the government launched the National Rural Health Mission [NRHM] in 2005. There are an increasing number of private players changing the nations' health delivery landscape. New hospitals are mushrooming even in Tier II and Tier III Cities and leading healthcare entrepreneurs with deep pockets are expanding. At the root is the new age patient who is ready to undertake the best possible treatment that money can buy. State of art technology, wonder drugs and five star facilities are now the

hospital mantra. It is booming industry both in terms of revenue and employment. Currently the industry employs over 4 million people making one of the largest service industries in the economy.

Structure of the Healthcare Delivery Industry

On the basis of infrastructural requirements and the types of services offered hospitals can be broadly classified into the following categories:

- Primary Healthcare
- Nursing Homes
- Secondary Care Hospitals
- Tertiary Care Hospitals
- Quaternary Care Hospitals

For details refer to “Industry Overview” on page 42 of the Draft Red Herring Prospectus.

BUSINESS OVERVIEW

We are engaged in running a multi specialty hospital at Noida under the brand Ojjus Medicare, with a super specialty focus on core areas such as Neurology and Neuro surgery, Cardiology and Cardiac surgery and Orthopaedics with emphasis on Joint Replacements and Sports Injuries. We also provide healthcare services in area of Minimally Invasive surgeries, Mother & Child Care, Paediatrics, Diagnostic, Critical Care Medicine, Oncology, Gynaecology & Obstetrics, Nephrology, Dermatology, Gastroenterology, Dental and Eye care, etc.

We are committed to delivering quality healthcare services to our patients in modern facilities using advanced technology with a team of qualified and experienced healthcare professionals. Our hospital is a state-of-art multi-specialty hospital providing a depth of expertise in complete spectrum of advanced medical and surgical interventions with a comprehensive mix of in-patient and out-patient services. We provide all facility under one roof like – 24 Hour Emergency, Out Patient Department, Complete Diagnostics, Modular OTs, Cathlab, Perfexion Gamma Knife, Dialysis Centre, Cardiac Ambulances for patient transportation, 24 Hour Pharmacy, Cashless facility for Insured patients, Specialized clinics, Preventive Health Checks etc. Our hospital has 220 beds, Surgical ICU and Medical ICU, four state-of-the-art Operation Theatres and state-of-the-art Imaging facility with automatic laboratory support. A special feature of our hospital is the availability of state-of-the-art equipments and trained medical personnel required for managing critically ill patients.

We have installed “Perfexion” Gamma Knife Machine for non invasive treatment of brain tumors, vascular malformations and functional diseases like parkinson’s disease, trigeminal neuralgia and psychiatric disorders using highly précised focused gamma rays. We are amongst few private centres in South and South East Asia to install Prefexion Gamma Knife. Leksell Perfexion Gamma Knife machine is the 5th generation machine, which uses robotic technology to deliver precise radiation to intracranial and cervical spine lesions and to treat functional disorders.

We were established in 2000 in Noida to provide treatment for regular ailments at a lower scale of operations. In December 2007, our management was taken over by Ojjus Medicare Private Limited, the present promoter and our operations were reorganized to create a multi specialty hospital. Our hospital is on the panel of various government and large organizations for treatment of their employees.

For the eight month period ended November 30, 2010 we performed over 106 neuro and spine surgeries, 189 cardiac, orthopedic & general surgeries and 54 interventional cardiac/neuro procedures.as against 86 neuro and spine surgeries, 221 cardiac, orthopedic & general surgies and 41 interventional cardiac/neuro procedures in the year ended 2009-10. Further for the eight months period ended November 30, 2010, the average occupancy rate for our hospital was approximately 60% as against 55% in the year 2009-10. Our total income and restated net profit for the eight month period ended November 30, 2010 was Rs 2,981.64 lakhs and Rs 828.05 lakhs, respectively as against Rs 2,291.00 lakhs and Rs 274.98 lakhs, respectively in the fiscal year ended March 31, 2010.

Speciality Services by our Hospital

Our hospital is located in Sector 40 at Noida on a plot of land owned by us and measuring 1,999 square meters with constructed area of approximately 50,000 sq ft. The area is fully developed and well connected with surface transport and is near metro station. The hospital building consists of five floors and basement housing various facilities for rendering health care services to the indoor and outdoor patients. The hospital is managed by a team of medical professionals under the supervision of Mrs. Namrata Chawla, our Managing Director. We also engage prominent medical specialist as consultants to provide their services.

The following are some of the specialty procedures performed at our hospital:

- Neurology and Neuro Surgeries
- Cardiac Care
- Orthopaedics & Joint Replacement Centre
- Nephrology
- Minimally Invasive Surgery/Micro-Surgical Techniques
- Mother and Child Care
- Critical Care
- Diagnostics
- Emergency and Trauma Centre
- Preventive Healthcare

Our Competitive Strengths

We believe our competitive strengths are in providing complete Neuro and Cardiac care under one roof backed up by the most advanced in house Diagnostic centre. The critical care facility comprising of state of the art life support equipment with highly experienced medical and non medical team is a strong support and confidence to the treating Consultants and to the patient and their attendants. Such set up enables us to treat patients of any critical illness related to the brain and heart in the best possible manner and pull out most of the critically ill patients.

• Experienced Team of Skilled doctors

As of November 30, 2010, we had a team of 27 full time doctors complemented by 84 nurses and 27 other medical personnel. We adhere to international clinical protocols in patient handling, operating theaters, intensive care unit management and emergency care set by leading international hospitals and accreditation bodies. In addition we also engage prominent specialist in various field of medical sciences as consultants who provide their services regularly and are also in demand amongst patients. In addition, medical professionals at our rolls and / or engaged by us as consultants are dedicated to clinical research and have published studies on topics including neurology and neuro-surgery cardiology, cardiac surgery etc. Some of our doctors also have a history of pioneering innovative techniques for patient treatment, such as preflexion gamma knife machine treatment and minimally invasive cardiac and orthopedic surgeries. Most of the doctors engaged by us have received advanced training at leading hospitals in India and overseas.

• Quality patient care

Our hospital has been designed to ensure that we are able to offer quality care to our patients. The layouts at our facilities minimize inpatient movement, with outpatient facilities located within the hospital. Other characteristics of many of our facilities, such as attractive architectural and design features, the use of special lighting and color and the reduction of “hospital odors”, also enhance the patient experience. Our hospital staff is trained to care for patients with techniques utilized in the hospitality industry, which, together with the design of our facilities, helps relieve patient anxiety and provide a more comfortable experience for patients. In addition, we focus on obtaining current technologies for providing healthcare services.

We are in the process of NABL and NABH Certification. The manual containing the policies, process details, quality system details, etc. has been submitted to the quality council for observations of respective authorities.

- **Specialty focus**

We focus on neurology along with other clinical areas such as cardiology and cardiac surgery, orthopedics, urology and nephrology and critical care. We have installed “Perfexion” Gamma Knife Machine for the treatments of brain tumor. We are amongst the few hospitals in South and South East Asia to have this facility. We are investing significantly in the technology, equipment and infrastructure required to perform the most advanced procedures and to strengthen our specialty focus.

For details refer to “Our Business” on page 48 of the Draft Red Herring Prospectus.

THE ISSUE

Particulars	Number of Equity Shares
Issue*	: [●] equity shares of face value Rs. 10 each at a premium of Rs. [●] for cash aggregating Rs. 6,200 lakhs along with one detachable warrant per equity share offered
Of which	:
Qualified Institutional Buyers Portion**	: Not more than [●] equity shares of face value Rs. 10 each at a premium of Rs. [●] for cash (allocation on proportionate basis). 5% of the Net QIB portion shall be available for allocation on proportionate basis to Mutual Funds only and the balance Net QIB Portion shall be available for allocation to all QIBs including Mutual Funds.
Non Institutional Portion	: Not less than [●] equity shares of face value Rs. 10 each at a premium of Rs. [●] for cash
Retail Portion	: Not less than [●] equity shares of face value Rs. 10 each at a premium of Rs. [●] for cash
Equity Shares outstanding prior to the Issue	: 90,00,000 equity shares of face value Rs. 10 each
Equity Shares outstanding after the Issue but before exercise of Warrants	: [●] equity shares of face value Rs. 10 each
Equity Shares outstanding after the Issue and assuming full exercise of Warrants	: [●] equity shares of face value Rs. 10 each
Use of net proceeds	: Please see the chapter titled “Objects of the Issue” on page 25 of this Draft Red Herring Prospectus.

* Through this Initial Public Offering, we intend to offer atleast 25% equity shares of our post issue share capital prior to exercise of detachable warrants.

** Our Company may allocate upto 30% of the QIB Portion to Anchor Investors, out of which one-third will be available for allocation to Domestic Mutual Funds. In the event of under subscription in Anchor Investors Portion, the balance equity shares shall be added to the Net QIB Portion.

SUMMARY OF FINANCIAL STATEMENTS

The following summary of financial and operating information is derived from the restated standalone financial statements of the Company for the eight months period ended November 30, 2010 and financial years ended March 31, 2010, 2009, 2008, 2007 and 2006 and restated consolidated financial statements of the Company for the eight months period ended November 30, 2010 and financial years ended March 31, 2010 as described in the Auditors Report of Chandok & Guliani, Chartered Accountants in the section titled "Financial Statements" on page 86 and 105 of the Draft Red Herring Prospectus respectively. These financial statements are prepared in accordance with Indian GAAP, Companies Act and SEBI ICDR Regulations.

SUMMARY OF CONSOLIDATED FINANCIAL STATEMENTS (RESTATED)**Consolidated summary statement of Assets and Liabilities (restated)**

(Rs. in lakhs)

	Particulars	As at 30.11.2010	As at 31.03.2010
(A)	Fixed Assets		
	Gross Block	8543.31	6742.33
	Less Depreciation	1646.58	1071.51
	Net Block	6896.73	5670.82
	Less: Revaluation Reserve	-	-
	Net Block after adjustment for Revaluation Reserve	6896.73	5670.82
	Capital work-in-progress (including Capital Advances)	4277.80	2702.88
	Total	11174.53	8373.7
(B)	Goodwill	166.5	166.5
(C)	Current Assets, Loans and Advances		
	Inventories	55.01	44.82
	Sundry Debtors	298.52	54.55
	Cash and Bank Balances	26.52	27.64
	Loans and Advances & Other Current Assets	4680.97	4586.37
	Total	5061.02	4713.38
(D)	Liabilities and Provisions:		
	Secured Loans	5847.43	4150.49
	Unsecured Loans	6801.63	6489.21
	Deferred Tax Liabilities	594.96	395.76
	Current Liabilities	170.43	246.15
	Provisions	341.50	153.92
	Share Application Money	94.00	494.00
	Total	13849.95	11929.53
	Net worth(A+B+C-D)	2552.10	1324.05
	Represented by		
(E)	Share Capital	900.00	500.00
(F)	Reserves & Surplus (Net of Revaluation Reserve)	1652.10	824.05
	Net worth(E+F)	2552.10	1324.05

Consolidated summary statement of Profit & Loss (restated)

		(Rs. in lakhs)	
Particulars	For Eight Months Period Ended on 30.11.2010	For the Financial Year ended on 31.03.2010	
Income			
Operating Income	2980.05	2289.67	
Other income	1.59	1.33	
Total Income	2981.64	2291.00	
Expenditure			
Cost of materials consumed	179.09	96.58	
Personnel Expenses	148.98	160.23	
Operating Expenses	284.7	257.53	
Selling, General & Administrative Expenses	273.69	64.1	
Preliminary Expenses written off	-	0.35	
Total Expenditure	886.46	578.79	
Net Profit before Interest, Depreciation, Taxation and extraordinary items	2095.18	1712.21	
Financial Expenses	267.85	374.63	
Depreciation & Amortisation	575.07	781.00	
Net Profit before Taxation & extra ordinary items	1252.26	556.58	
Extraordinary items (net of tax)	-	-	
Net profit before Taxation	1,252.26	556.58	
Provision for:-			
Current Tax	225.00	105.20	
Deferred Tax	199.21	281.60	
Mat Credit	-	(105.20)	
Total	424.21	281.60	
Net profit after taxation	828.05	274.98	
Add: Balance Brought Forward	396.40	121.42	
Balance Carried to Balance Sheet	1224.45	396.40	

Statement of Cash Flows (restated)

		(Rs. in lakhs)	
	Particulars	For Eight Months Period Ended on 30.11.2010	For the Financial Year ended on 31.03.2010
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax, prior period items and extra-ordinary items	1252.26	544.65
	Adjustment for		
	Depreciation	575.06	781.00
	Loss on Sale of Fixed Assets	-	6.19
	Financial Expenses	265.36	374.63
	Misc. expenditure written off	-	0.38
	Total Operating profit before working capital changes	2092.69	1706.85
	Working Capital Changes		
	(Increase)/decrease in Receivables	(243.98)	(12.61)
	(Increase)/decrease in Inventories	(10.19)	(25.55)
	(Increase)/decrease in Loans and Advances	(94.61)	(271.99)
	(Increase)/decrease in Payables	(75.72)	129.49
	(Increase)/decrease in Provisions	(37.42)	107.22
	Net (increase)/decrease in working capital	(461.91)	(73.44)
	Cash generated from operations	1630.76	1633.41
	Taxes paid	-	-
	Net cash from operating activities - A	1630.76	1633.41
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of assets / addition to CWIP/ construction stores & advances	(3375.87)	(2137.19)
	Investment in Subsidiary (Including Share Application Money)	(0.44)	(613.53)
	Net cash used in Investing activities - B	(3376.31)	(2750.72)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Issue of Equity capital	400.00	-
	Proceeds from borrowings(net)	2009.79	456.05
	Proceeds/(Repayment) of share application money	(400.00)	1012.53
	Financial Expenses	(265.36)	(374.63)
	Net cash from financing activities - C	1744.43	1093.95
	Net increase / decrease in cash and cash equivalents (A+B+C)	(1.12)	(23.36)
	Cash and cash equivalents at the beginning of the year	27.64	51.00
	Cash and cash equivalents at the end of the year	26.52	27.64

SUMMARY OF STANDALONE FINANCIAL STATEMENTS (RESTATED)**Standalone summary statement of Assets and Liabilities (restated)**

(Rs. in lakhs)

	Particulars	As at 30.11.2010	As at 31.03.2010	As at 31.03.2009	As at 31.03.2008	As at 31.03.2007	As at 31.03.2006
(A)	Fixed Assets						
	Gross Block	7,947.16	6,146.19	2,974.92	802.25	768.54	722.78
	Less Depreciation	1,646.58	1,071.51	296.68	186.63	132.63	76.44
	Net Block	6,300.58	5,074.68	2,678.24	615.62	635.91	646.34
	Less: Revaluation Reserve	-	-	-	-	-	-
	Net Block after adjustment for Revaluation Reserve	6,300.58	5,074.68	2,678.24	615.62	635.91	646.34
	Capital work-in-progress (including Capital Advances)	3,784.59	2,209.67	3,749.32	2.49	-	-
	Total	10,085.17	7,284.35	6,427.56	618.11	635.91	646.34
(B)	Investments	613.97	613.53	-	-	-	-
(C)	Deferred tax assets	-	-	-	9.24	38.3	39.34
(D)	Current Assets, Loans and Advances						
	Inventories	55.01	44.82	19.27	28.99	24.13	6.29
	Sundry Debtors	298.52	54.55	41.93	49.62	34.18	7.11
	Cash and Bank Balances	15.17	16.30	8.50	5.03	22.77	27.68
	Loans and Advances & Other Current Assets	745.97	651.37	400.59	233.50	14.54	19.85
	Total	1,114.67	767.04	470.29	317.14	95.62	60.93
(E)	Liabilities and Provisions:						
	Secured Loans	5,847.43	4,150.49	4,516.42	287.73	314.41	390.22
	Unsecured Loans	2,210.32	1,901.06	963.43	-	-	-
	Deferred Tax Liabilities	594.96	395.76	114.16	-	-	-
	Current Liabilities	169.91	245.63	114.42	53.40	25.51	34.12
	Provisions	341.50	153.92	46.70	6.29	0.33	0.07
	Share Application Money	94.00	494.00	94.00	316.62	159.38	54.00
	Total	9,258.12	7,340.86	5,849.13	664.04	499.63	478.41
	Net worth(A+B+C+D-E)	2,555.69	1,324.06	1,048.72	280.45	270.20	268.20
	Represented by						
(F)	Share Capital	900.00	500.00	500.00	371.87	371.87	371.87
(G)	Reserves & Surplus	1,655.69	824.06	549.07	6.22	6.22	6.22
(H)	Debit Balance of Profit & Loss Account	-	-	-	(96.43)	(105.84)	(106.76)
(I)	Miscellaneous Expenditure (To the extent not written off or adjusted)	-	-	(0.35)	(1.21)	(2.05)	(3.13)
	Net worth(F+G+H+I)	2,555.69	1,324.06	1,048.72	280.45	270.20	268.20

Standalone summary statement of Profit & Loss account (restated)

(Rs. in lakhs)

Particulars	For eight months period ended on 30.11.2010	For the financial year ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Income						
Operating Income	2980.05	2289.67	1046.05	548.95	360.05	117.43
Other income	1.59	1.33	0.58	0.49	2.56	11.10
Total Income	2981.64	2291.00	1046.63	549.44	362.61	128.53
Expenditure						
Cost of materials consumed	179.09	96.58	110.62	91.24	53.51	14.93
Personnel Expenses	148.98	160.23	112.43	90.77	34.32	42.81
Operating Expenses	284.7	257.53	238.29	203.21	135.47	55.63
Selling, General & Administrative Expenses	272.6	64.1	39.69	31.27	41.17	13.57
Preliminary Expenses written off	-	0.35	0.85	0.85	0.85	0.85
Total Expenditure	885.37	578.79	501.88	417.34	265.32	127.79
Net Profit before Interest, Depreciation, Taxation and extraordinary items	2096.27	1712.21	544.75	132.10	97.29	0.74
Financial Expenses	265.35	374.63	51.85	37.13	38.73	49.05
Depreciation & Amortisation	575.07	781.00	110.05	54.00	56.19	55.04
Net Profit before Taxation & extraordinary items	1255.85	556.58	382.85	40.97	2.37	(103.35)
Extraordinary items (net of tax)	-	-	-	-	-	-
Net profit before Taxation	1,255.85	556.58	382.85	40.97	2.37	(103.35)
Provision for:-						
Current Tax	225.00	105.20	40.80	1.96	-	0.01
Fringe Benefit Tax	-	-	0.79	0.54	0.41	0.14
Deferred Tax	199.21	281.60	123.41	29.06	1.04	(27.57)
Mat Credit	-	(105.20)	-	-	-	-
Total	424.21	281.60	165.00	31.56	1.45	(27.42)
Net profit after taxation	831.64	274.98	217.85	9.41	0.92	(75.93)
Add: Balance Brought Forward	396.40	121.42	(96.43)	(105.84)	(106.76)	(30.83)
Balance Carried to Balance Sheet	1228.04	396.40	121.42	(96.43)	(105.84)	(106.76)

Statement of cash flows

(Rs. in lakhs)

Particulars	For eight months period ended on 30.11.2010	For the financial year ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
CASH FLOW FROM OPERATING ACTIVITIES (A)						
Net profit before tax , prior period items & extra-ordinary items	1255.85	556.58	382.85	40.97	2.37	(103.35)
Adjustment for						
Depreciation	575.06	781.00	110.05	54.00	56.19	55.04
Provisions	-	-	1.38	-	-	-
Loss on Sale of Fixed Assets	-	6.19	-	-	-	-
Financial Expenses	265.36	374.62	51.85	35.50	37.87	47.89
Misc. expenditure written off	-	0.35	0.85	0.85	1.09	1.23
Total Operating profit before working capital changes	2096.27	1718.74	546.98	131.32	97.52	0.81
Working Capital Changes						
(Increase)/decrease in Receivables	(243.98)	(12.61)	7.69	(15.44)	(27.06)	(6.32)
(Increase)/decrease in Inventories	(10.19)	(25.55)	9.72	(4.87)	(17.84)	(1.71)
(Increase)/decrease in Loans & Advances	(94.60)	(250.77)	61.03	27.89	5.30	(15.35)
(Increase)/decrease in Payables	(75.72)	131.20	(167.09)	(218.96)	(8.61)	(25.72)
(Increase)/decrease in Provisions	(37.42)	107.22	-	3.78	-	-
Net (increase)/decrease in working capital	(469.91)	(50.51)	(88.65)	(207.60)	(48.21)	(49.10)
Cash generated from operations	1634.36	1668.23	458.33	(76.28)	49.31	(48.29)
Taxes paid	-	-	2.55	0.33	0.15	0.08
Net cash from operating activities	1634.36	1668.23	455.78	(76.61)	49.16	(48.37)
CASH FLOW FROM INVESTING ACTIVITIES (B)						
Purchase of assets / addition to CWIP / construction stores & advances	(3375.88)	(1643.98)	(5919.50)	(36.20)	(45.76)	(58.42)
Investment in Subsidiary	(0.44)	(613.53)	-	-	-	-
Net cash used in investing activities	(3376.32)	(2257.51)	(5919.50)	(36.20)	(45.76)	(58.42)
CASH FLOW FROM FINANCING ACTIVITIES (C)						
Issue of Equity capital	400.00	-	549.56	-	-	130.58
Proceeds from borrowings (net)	2006.19	571.71	5192.12	-	-	-
Repayment of loans	-	-	-	(26.68)	(75.81)	(9.81)
Proceeds / (Repayment) of share application money	(400.00)	400.00	(222.63)	157.25	105.38	54.00
Financial Expenses	(265.36)	(374.63)	(51.85)	(35.50)	(37.87)	(49.66)
Net cash from financing activities	1740.83	597.08	5467.20	95.07	(8.30)	125.11
Net increase / decrease in cash and cash equivalents (A+B+C)	(1.13)	7.80	3.47	(17.74)	(4.90)	18.32
Cash and cash equivalents at the beginning of the year	16.30	8.50	5.03	22.77	27.68	9.36
Cash and cash equivalents at the end of the year	15.17	16.30	8.50	5.03	22.77	27.68

GENERAL INFORMATION

Our Company was incorporated on June 26, 2000 under the Companies Act, 1956 with the Registrar of Companies NCT Delhi & Haryana as Goodwill Hospital and Research Centre Limited. We received the Certificate of Commencement of Business on July 14, 2000. The Corporate Identification Number of our Company is U74899DL2000PLC106486. There has been no change in the name of our Company since incorporation. For details of change in our Registered Office, see “History and Certain Corporate Matters” on page 61 of the Draft Red Herring Prospectus.

Registered Office

705, Kailash Building,
26, Kasturba Gandhi Marg,
New Delhi - 110 001
Tel.: +91 11 2371 1897; Fax: +91 11 2331 9995
Email: ipo@ojjus.org ; Website: www.ojjus.org

Registrar of Companies

Registrar of Companies, NCT of Delhi & Haryana,
IFCI Tower, 61 Nehru Place, New Delhi - 110 019

Board of Directors of the Company

Sr. No.	Name & Designation	Age (in years)	DIN	Status
1.	Mr. Kuldeep Rai Chawla S/o Late Sh. Hans Raj Chawla	72	01892143	Chairman
2.	Mrs. Namrata Chawla W/o Mr. Harvansh Chawla	34	02699060	Managing Director
3.	Mr. Harvansh Chawla S/o Sh. Kuldeep Rai Chawla	40	00005271	Director
4.	Mr. Amanveer Singh S/o Sh. Jagmohan Singh	38	02159393	Whole Time Director
5.	Mr. Sandeep Singhanian S/o Sh. Vishwanath Singhanian	45	00039017	Whole Time Director
6.	Mr. Ram Avtar Poddar S/o Sh. Brij Mohan Poddar	71	00029313	Non-executive Independent Director
7.	Mr. Vinod Kumar Grover S/o Sh. A.N. Grover	72	03398588	Non-executive Independent Director
8.	Fr. Jose Alarico Carvalho S/o Jose Inacio Carvalho	62	03398696	Non-executive Independent Director
9.	Justice Vijender Jain (Retd) S/o Sh. Phool Chand Jain	64	03404893	Non-executive Independent Director
10.	Mr. Lalit Kumar Joshi S/o Sh. Vishnu Dutt Joshi	67	00924273	Non-executive Independent Director

Compliance Officer

Mr. Sandeep Singhanian
Whole Time Director
Goodwill Hospital and Research Centre Limited
705, Kailash Building,
26, Kasturba Gandhi Marg,
New Delhi - 110 001
Tel.: +91 11 2371 1897; Fax: +91 11 2331 9995
Email: ipo@ojjus.org ; Website: www.ojjus.org

Company Secretary

Ms. Aarti Sachdeva
Goodwill Hospital and Research Centre Limited
705, Kailash Building,
26, Kasturba Gandhi Marg,
New Delhi - 110 001
Tel.: +91 11 2371 1897; Fax: +91 11 2331 9995
Email: ipo@ojjus.org ; Website: www.ojjus.org

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and refund orders.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the concerned SCSB, giving full details such as name, address of the applicant, number of Equity Shares Bid for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the ASBA Bid cum Application Form was submitted by the ASBA Bidder.

BOOK RUNNING LEAD MANAGER

SPA Merchant Bankers Limited

SEBI Regn.: INM 000010825

25, C - Block, Community Centre

Janak Puri, New Delhi - 110 058

Tel.: +91 11 2551 7371, 4567 5500

Fax: +91 11 2553 2644

E-mail: goodwill.ipo@spagroupindia.com

Website: www.spacapital.com

Contact Person: Mr. Nitin Somani / Ms. Ashi Mehra

LEGAL ADVISORS TO THE ISSUE

Link Legal

Thapar House, Central Wing

First Floor, 124 Janpath

New Delhi - 110 001

Tel.: +91 11 4651 1000

Fax: +91 11 4651 1099

Email: raj@linklegal.in

Contact Person: Mrs. Raj Rani Bhalla

REGISTRAR TO THE ISSUE

Beetal Financial & Computer Services Private Limited

SEBI Regn.: INR 000000262

Beetal House, 3rd Floor, 99 Madangir

Behind Local Shopping Centre

New Delhi - 110 062

Tel.: +91 11 2996 1281 - 83

Fax: +91 11 2996 1284

E-mail: goodwill@beetalfinancial.com

Website: www.beetalfinancial.com

Contact Person: Mr. S P Gupta

SYNDICATE MEMBERS

[•]

ESCROW COLLECTION BANKS AND BANKERS TO THE ISSUE

[•]

REFUND BANKER

[•]

SELF CERTIFIED SYNDICATE BANKS

The list of banks which has been notified by SEBI to act as Self Certified Syndicate Banks (SCSBs) for ASBA process is available at <http://www.sebi.gov.in/pmd/scsb.html>.

BANKERS TO THE COMPANY

Bank of India

MID Corporate Branch
37, Shaheed Bhagat Singh Marg
Connaught Place (Near Shivaji Stadium)
New Delhi-110 001
Tel.: +91 11 2336 5621, 2336 2272
Fax: +91 11 2334 5603
E-mail: corporatebanking.newdelhi@bankofindia.co.in

AUDITORS TO THE COMPANY

Chandiok & Guliani
C - 44, Nizamuddin East
New Delhi - 110 013
Tel.: +91 11 2435 0860, 2435 9676
Fax: +91 11 2435 0457
Contact Person: Mr. V K Lalla

IPO GRADING AGENCY

[●]

IPO GRADING

This issue being has been graded by [●] and has been assigned [●] indicating [●]. The IPO Grading is assigned on a 5 point scale from 1 to 5 with Grade 5 indicating strong fundamentals and Grade 1 indicating poor fundamentals. For details in relation to report of grading agency please refer to “Annexure” on page [●] of the Draft Red Herring Prospectus.

MONITORING AGENCY

There is no requirement for a monitoring agency in terms of Regulation 16(1) of the SEBI ICDR Regulations. The Audit Committee of our Board would monitor the utilization of the proceeds of the Issue. For details please refer to section titled ‘Objects of the Issue’ on page 25 of the Draft Red Herring Prospectus.

APPRIISING AGENCY

The issue has not been appraised.

CREDIT RATING

This being an issue of equity shares, there is no requirement of credit rating of the issue.

TRUSTEES

As the issue is of Equity Shares, the appointment of Trustees is not required.

BOOK BUILDING PROCESS IN BRIEF

Book Building refers to the process of collection of Bids, on the basis of the Draft Red Herring Prospectus. The Issue Price is fixed after the Bid/Issue Closing Date.

The principal parties involved in the Book Building Process are:

- Our Company
- Book Running Lead Manager
- Syndicate Member(s) who are intermediaries registered with SEBI or registered as brokers with BSE / NSE and eligible to act as underwriters
- Registrar to the Issue and
- Escrow collection Banks

The primary responsibility of building the book shall be that of the lead book runner.

The Equity Shares are being offered to the public through the 100% Book Building Process in accordance with the SEBI ICDR Regulations wherein: (i) not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs. Our Company may allocate upto 30% of the QIB Portion to Anchor Investors, out of which one-third will be available for allocation to Domestic Mutual Funds. In the event of under subscription in Anchor Investors Portion, the balance equity shares shall be added to the Net QIB Portion. 5% of Net the QIB Portion that shall be available for allocation on a proportionate basis to Mutual Funds only and the remaining Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds; (ii) not less than 15% of the Issue shall be available for allocation on a proportionate basis to the Non-Institutional Bidders and (iii) not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

QIBs (excluding Anchor Investors) are not allowed to withdraw their Bid(s) after the Bid Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Allocation to the Anchor Investors will be on a discretionary basis. For further details, see “**Issue Structure**” on page 32 of the Draft Red Herring Prospectus.

Our Company shall comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company has appointed SPA Merchant Bankers Limited as the Book Running Lead Manager to manage the Issue and to procure the subscriptions to the Issue.

Investors should note that Equity Shares and Warrants would be allotted to all successful Bidders only in dematerialised form. Bidders will not have the option of getting Allotment of the Equity Shares and Warrants in physical form. The Equity Shares and Warrants on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Illustration of Book Building and Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration and is not specific to the Issue)

The Bidders (excluding the ASBA Bidders who can only Bid at Cut-off Price) can bid at any price within the Price Band. For instance, assume a Price Band of Rs. 60 to Rs. 72 per Equity Share, Issue size of 5,400 Equity Shares and receipt of five Bids from the Bidders. A graphical representation of the consolidated demand and price would be made available at the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com) during the bidding period. The illustrative book as set forth below shows the demand for the Equity Shares of our Company at various prices and is collated from Bids from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Quantity	Subscription
1,500	72	1,500	27.78%
3,000	69	4,500	83.33%
4,500	66	9,000	166.67%
6,000	63	15,000	277.78%
7,500	60	22,500	416.67%

The price discovery is a function of demand at various prices. The highest price at which our Company is able to issue the desired quantity of Equity Shares is the price at which the book cuts off, i.e., Rs.66 in the above example. Our Company, in consultation with the BRLM will finalize the Issue Price at or below such cut off price, i.e., at or below Rs.66. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken for bidding:

1. Check eligibility for bidding (see the section titled “Offering Information - Who Can Bid” on page 151 of this Draft Red Herring Prospectus);
2. Ensure that the Bidder has a demat account and the demat account details are correctly mentioned in the Bid-cum-Application Form;

3. Except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, for Bids of all values ensure that you have mentioned your Permanent Account Number (“PAN”) allotted under the I.T. Act in the Bid cum Application Form and the ASBA Bid cum Application Form (see “*Offering Information - ‘PAN’ or ‘GIR’ Number*” on page 163 of this Draft Red Herring Prospectus);
4. Ensure that the Bid-cum-Application Form is duly completed as per instructions given in the Draft Red Herring Prospectus and in the Bid-cum-Application Form.
5. The Bidder should ensure the correctness of his or her Demographic Details (as defined in the section “Offering Information - Bidder’s Depository Account and Bank Account Details” on page 159 of the Draft Red herring Prospectus given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant).
6. Bids by ASBA Bidders will only have to be submitted to the SCSB. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that their Bid cum ASBA Form is not rejected.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue any time after the Bid Opening Date but before Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two Working Days of the Bid Closing Date, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the day of receipt of such notification. Our Company shall also inform the Stock Exchanges on which the Equity Shares and Warrants are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for only after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

BID/ISSUE PROGRAMME

Bid / Issue Opens on *	[●]
Bid / Issue Closes on (For QIB Bidders)	[●]
Bid / Issue Closes on (For Non- Institutional & Retail Individual Bidders)	[●]

* Anchor Investors, if any, shall submit their Bid on the Anchor Investor Bidding Date, which is one Working Day prior to the Bid Opening Date.

Bids by Anchor Investors may be submitted to the members of Syndicate or their affiliates. The number of Equity Shares and Warrants allocated to each Anchor Investor and Anchor Investor Issue Price shall be made available in the public domain by the BRLM, before the Bid Opening Date.

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 Bidding Period as mentioned above at the Bidding centers mentioned in the Bid cum Application Form **except that on the Bid Closing Date, Bids excluding ASBA 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. in case of Bids by QIB and Non-Institutional Bidders; and (ii) 5.00 p.m. for Retail Individual Bidders, which may be extended up to such time as permitted by the Stock Exchanges. Due to limitation of time available for uploading the Bids on the Bid Closing Date, the Bidders are advised to submit their Bids one Working Day prior to the Bid Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid Closing Date, as is typically experienced in IPOs, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation in the Issue. If such Bids are not uploaded, the Company and the Syndicate Members shall not be responsible. Bids were accepted only between Monday and Friday (excluding any public holiday).

On the Bid Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders, after taking into account the total number of Bids received up

to the closure of timings for acceptance of Bid-cum Application Forms and ASBA Forms as stated herein and reported by the BRLM to the Stock Exchanges within half an hour of such closure. We will decide the Price Band in consultation with the BRLM. The announcement on the Price Band shall also be made available on the websites of the BRLM and at the terminals of the Syndicate.

We reserve the right to revise the Price Band during the Bidding Period in accordance with SEBI ICDR Regulations. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price band can move up or down to the extent of 20% of the floor of the price band.

In case of revision in the Price Band, the Bidding / Issue Period will be extended for three working days after revision of Price Band subject to the Bidding/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding / Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release, and also by indicating the change on the web sites of the BRLM and at the terminals of the Syndicate.

Underwriters to the Issue

After the determination of the Issue Price and allocation of the Equity Shares but prior to filing of the Prospectus with the ROC, the Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM shall be responsible for bringing in the amount devolved in the event that their respective Syndicate Members do not fulfill their underwriting obligations.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Details of Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in lakh)
[●]	[●]	[●]

(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the ROC)

The above-mentioned amount is indicative underwriting and this would be finalized after pricing and actual allocation. The above Underwriting Agreement is dated [●].

In the opinion of the Board of Directors (based on a certificate given by the Underwriters), the resources of all the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriters are registered with SEBI or registered as brokers with the Stock Exchange(s).

Allocation among Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the above table. 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 the event of any default, the respective Underwriter in addition to other obligations to be defined in the Underwriting Agreement will also be required to procure / subscribe to equity shares the extent of the defaulted amount, 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

In Rupees lakhs (except share data)		
Particulars	Aggregate Value at Nominal Price	Aggregate Value at Issue Price
(A) Authorised Share Capital 2,50,00,000 equity shares of face value Rs. 10 each	2,500.00	
(B) Issued, Subscribed and Paid up share capital before the Issue 90,00,000 equity shares of face value Rs. 10 each	900.00	
(C) Present Issue in terms of this Draft Red Herring Prospectus ¹ [●] equity shares of face value Rs. 10 each [●] warrants each convertible into one equity share of face value Rs. 10 each	[●] [●]	[●]
(D) Paid up share capital after the Issue After the Issue but before exercise of Warrants: [●] equity shares of face value Rs. 10 each Assuming full exercise of Warrants after Warrant Exercise Period: [●] equity shares of face value Rs. 10 each	[●] [●]	
(E) Securities Premium Account Before the Issue After the Issue (assuming full exercise of warrants at the face value of equity shares)	427.65 [●]	

¹. The present Issue in terms of this Draft Red Herring Prospectus has been authorized by our Board of Directors and by our members in their Extra Ordinary General Meeting pursuant to the resolutions passed in their meeting held on December 20, 2010 and December 23, 2010 respectively.

Notes to the Capital Structure:**1. Changes in Authorised Share Capital**

The details of changes in authorised share capital of our company since Incorporation are as follows

Date of Meeting	Cumulative No. of Equity Shares	Face Value (Rs.)	Authorised Share Capital (in Rs.)	Particulars
-	1,00,000	10	10,00,000	Since Incorporation
August 01, 2001	25,00,000	10	2,50,00,000	Capital increased from Rs. 10,00,000 to Rs. 2,50,00,000
December 07, 2005	50,00,000	10	5,00,00,000	Capital increased from Rs. 2,50,00,000 to Rs. 5,00,00,000
June 22, 2010	80,00,000	10	8,00,00,000	Capital increased from Rs. 5,00,00,000 to Rs. 8,00,00,000
August 03, 2010	90,00,000	10	9,00,00,000	Capital increased from Rs. 8,00,00,000 to Rs. 9,00,00,000
December 23, 2010	2,50,00,000	10	25,00,00,000	Capital increased from Rs. 9,00,00,000 to Rs. 25,00,00,000

2. Equity Share Capital History

(in Rupees, except share data)

Date of Allotment	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value	Issue Price	Cumulative Paid up Capital	Cumulative Securities Premium	Nature of consideration	Category of Allottees
June 22, 2000	1,000	1,000	10.00	10.00	10,000	-	Cash	Subscribers to MOA
January 24, 2001	4,800	5,800	10.00	10.00	58,000	-	Cash	Allotment to then Promoters and others
January 25, 2001	4,900	10,700	10.00	10.00	1,07,000	-	Cash	Allotment to then Promoters and others
January 26, 2001	4,300	15,000	10.00	10.00	1,50,000	-	Cash	Allotment to then Promoters and others
March 15, 2002	21,24,000	21,39,000	10.00	10.00	2,13,90,000	-	Cash	Allotment to then Promoters and others
October 10, 2003	2,28,500	23,67,500	10.00	10.00	2,36,75,000	-	Cash	Allotment to then Promoters and others
January 17, 2005	1,07,574	24,75,074	10.00	10.00	2,47,50,740	-	Cash	Allotment to then Promoters and others
February 04, 2006	12,43,600	37,18,674	10.00	10.50	3,71,86,740	6,21,800	Cash	Allotment to then Promoters and others
August 07, 2008	12,81,326	50,00,000	10.00	42.89	5,00,00,000	4,27,64,612	Cash	Allotment to Holding Company
June 22, 2010	30,00,000	80,00,000	10.00	10.00	8,00,00,000	4,27,64,612	Cash	Allotment to Holding Company
August 03, 2010	10,00,000	90,00,000	10.00	10.00	9,00,00,000	4,27,64,612	Cash	Allotment to Holding Company

3. Capital build up of existing shareholding of Promoter

Name of Promoter	Date of Acquisition	No. of Equity Shares	Issue / Acquisition Price (Rs.)	Particulars of allotment / acquisition
Ojjus Medicare Private Limited	November 13, 2007	894	10	Purchased from Mr. S.S. Rawat
	December 03, 2007	4,11,500	10	Purchased from Dr. Ashwani Kumar Bansal
		5,11,900	10	Purchased from Dr. Vandana Bansal
		47,700	10	Purchased from Dr. S.D. Bansal
		2,500	10	Purchased from Mr. P.K. Gupta
		2,500	10	Purchased from Ms. Vidya Gupta
		1,67,500	10	Purchased from Navjeevan Pediatrics Private Limited
		4,42,627	10	Purchased from Arpit Hospital Limited
		21,31,547	10	Purchased from Jyoti Hospital Private Limited

Name of Promoter	Date of Acquisition	No. of Equity Shares	Issue / Acquisition Price (Rs.)	Particulars of allotment / acquisition
	August 07, 2008	12,81,326	42.89	Allotment of shares for cash
	June 26, 2010	30,00,000	10	Allotment of shares for cash
	August 03, 2010	10,00,000	10	Allotment of shares for cash
	Total	89,99,994		

* In addition to aforesaid 89,99,994 equity shares held, Ojjus Medicare Private Limited is also the beneficial owner of 6 shares held by individual shareholders on its behalf.

4. Promoters Contribution and Lock-in

The following shares held by Promoters are locked-in as Promoters Contribution after the issue and assuming full exercise of Warrants:

Name of Promoter	Date of allotment	No. of equity shares	Issue Price	% of pre-issue paid up capital	% of post issue paid up capital (before exercise of warrants)	% of post issue paid up capital (assuming full exercise of warrants)	Lock-in period
Ojjus Medicare Private Limited	[●]	[●]	[●]	[●]	[●]	[●]	3 years
Total →		[●]		[●]	[●]	[●]	

Ojjus Medicare Private Limited is holding 49,99,994 equity shares which are eligible for lock-in as Promoters Contribution. All Equity Shares, which are being locked in are eligible for computation of Promoters contribution as per Regulation 33 of the SEBI ICDR Regulations and are being locked for 3 years in under Regulation 36(a) of the SEBI ICDR Regulations.

Our Promoter, Ojjus Medicare Private Limited has, by a written undertaking, consented to have [●] equity shares held by it to be locked in as Promoters contribution for a period of three years from the date of allotment in this Issue and will not be disposed / sold / transferred by the promoters during the period starting from the date of filing the Draft Red Herring Prospectus with the Board till the date of commencement of lock-in period as stated in the Draft Red Herring Prospectus. The equity shares under the Promoters contribution will constitute [●]% of our post-issue paid up share capital before exercise of warrants and [●]% of our post-issue paid up share capital assuming full exercise of warrants. Our Promoters have also consented that the Promoters contribution under Regulation 33 of the SEBI ICDR Regulations will not be less than 20% of the post issue paid up capital of our Company.

The entire pre-issue shareholding of the Promoters, other than the Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Details of share capital locked in for one year

In terms of Regulation 36(b) and 37 of the SEBI ICDR Regulations, in addition to the Promoters contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting [●] equity shares shall be locked in for a period of one year from the date of allotment of Equity shares in this Issue. The securities which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form shall be locked-in by the respective depositories.

Details of lock-in for shares allotted to Anchor Investors

Equity Shares and Warrants allotted to Anchor Investors, in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment of Equity Shares in this Issue.

Other requirements in respect of lock-in:

- a) In terms of Regulation 39 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan.
Provided that securities locked in as minimum promoters' contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- b) In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.
- c) Further in terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the Issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

We shall comply with the requirements of Regulation 33, 36, 37, 39 and 40 of the SEBI ICDR Regulations.

5. Our Shareholding Pattern

The table below presents our shareholding pattern before the proposed Issue and as adjusted for the Issue:

Category code	Category of shareholder	No. of Shareholders	Total Number of shares	Total shareholding as a percentage of total number of shares		Total post issue shareholding (before exercise of warrants)		Total post issue shareholding (assuming full exercise of warrants)	
				As a %age of (A+B)	As a %age of (A+B+C)	Total Number of shares	As a %age of (A+B+C)	Total number	As a %age of (A+B+C)
(A)	Promoter and Promoter Group								
(1)	Indian								
	Individuals/HUF	6*	6	0.00	0.00	6	[●]	6	[●]
	Trusts	-	-	-	-	-	-	-	-
	Bodies Corporate	1	89,99,994	99.99	99.99	89,99,994	[●]	89,99,994	[●]
	Sub-Total (A)(1)	7	90,00,000	100.00	100.00	90,00,000	[●]	90,00,000	[●]
(2)	Foreign								
	Individuals/HUF	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	7	90,00,000	100.00	100.00	90,00,000	[●]	90,00,000	[●]
(B)	Public Shareholding								
	Others	-	-	-	-	-	-	-	-
	Initial Public Offering	-	-	-	-	[●]	[●]	[●]	[●]
	Total Public Shareholding	-	-	-	-	[●]	[●]	[●]	[●]
	Total (A)+(B)	7	90,00,000	0.00	0.00	[●]	[●]	[●]	[●]
(C)	Shares held by Custodians and against which Depository Receipts have been issued								
		-	-	-	-	-	-	-	-
	Grand Total (A)+(B)+(C)	7	90,00,000	100.00	100.00	[●]	[●]	[●]	[●]

* Ojjus Medicare Private Limited is the beneficial owner of these 6 shares held by individuals.

6. Shareholding of our Promoter, Promoter Group and Directors of our Promoters in our Company is as under:

Sr. No.	Name of the shareholder	Total Shares held		Shares pledged or otherwise encumbered		
		Number	As a % of grand total (A)+ (B)+ (C)	Number	As a percentage	As a % of grand total (A)+ (B)+ (C) of sub clause (I) (a)
(I)	(II)	(III)	(IV)	(V)	(VI)=(V)/(III)	(VII)
1.	Ojjus Medicare Private Limited	89,99,994	99.99	NA	NA	NA
2.	Mr. Kuldeep Rai Chawla	1	0.00	NA	NA	NA
3.	Ms. Kumud Chawla	1	0.00	NA	NA	NA
4.	Mr. Harvansh Chawla	1	0.00	NA	NA	NA
5.	Ms. Namrata Chawla	1	0.00	NA	NA	NA
6.	Ms. Poonam Chawla	1	0.00	NA	NA	NA
7.	Ms. Meena Rani Chawla	1	0.00	NA	NA	NA
Total		90,00,000	100.00			

7. Equity Shares held by Top Ten Shareholders

(a) Our shareholders and the number of Equity Shares of Rs. 10 each held by them as on the date of filing this Draft Red Herring Prospectus with SEBI is as follows:

S. No.	Name of the Shareholders	No. of Equity Shares	% of total Shareholding
1.	Ojjus Medicare Private Limited	89,99,994	99.99
2.	Mr. Kuldeep Rai Chawla	1	0.00
3.	Ms. Kumud Chawla	1	0.00
4.	Mr. Harvansh Chawla	1	0.00
5.	Ms. Namrata Chawla	1	0.00
6.	Ms. Poonam Chawla	1	0.00
7.	Ms. Meena Rani Chawla	1	0.00
	Total	90,00,000	100

(b) Our shareholders and the number of Equity Shares of Rs. 10 each held by them 10 days prior to date of filing this Draft Red Herring Prospectus with SEBI is as follows:

S. No.	Name of the Shareholders	No. of Equity Shares	% of total Shareholding
1.	Ojjus Medicare Private Limited	89,99,994	99.99
2.	Mr. Kuldeep Rai Chawla	1	0.00
3.	Ms. Kumud Chawla	1	0.00
4.	Mr. Harvansh Chawla	1	0.00
5.	Ms. Namrata Chawla	1	0.00
6.	Ms. Poonam Chawla	1	0.00
7.	Ms. Meena Rani Chawla	1	0.00
	Total	90,00,000	100

(c) Our shareholders and the number of Equity shares of Rs. 10 each held by them two years prior to date of filing of this Draft Red Herring Prospectus with SEBI is as follows:

S. No.	Name of the Shareholders	No. of Equity Shares	% of total Shareholding
1.	Ojjus Medicare Private Limited	49,99,994	99.99
2.	Mr. Kuldeep Rai Chawla	1	0.00
3.	Ms. Kumud Chawla	1	0.00
4.	Mr. Sukhchain Chawla	1	0.00
5.	Mr. Dilbagh Chawla	1	0.00
6.	Ms. Manju Chawla	1	0.00
7.	Ms. Meena Rani Chawla	1	0.00
	Total	50,00,000	100

8. Our Promoter, Promoter Group, Directors and their relatives and Directors of the Promoter have not sold or purchased any shares of our Company during the period of six months preceding the date of this Draft Red Herring Prospectus except as under:

Date of transfer	Name of transferor	Name of transferee	No. of shares	Consideration	Remarks
August 25, 2010	Manju Chawla	Ms. Poonam Chawla	1	Nil	Only the shares were transferred from one person to another. The beneficial owner of the shares remained the same i.e. Ojjus Medicare Private Limited
October 04, 2010	Mr. Sukhchain Chawla	Ms. Namrata Chawla	1	Nil	
October 04, 2010	Mr. Dilbagh Chawla	Mr. Harvansh Chawla	1	Nil	

9. Our Promoter, Promoter Group, Directors and their relatives and Directors of the Promoter have not financed the purchase by any other person of the equity shares of our Company during the period of six months immediately preceding the date of filing of Draft Red Herring Prospectus with the Board.
10. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or shareholders or any other person any option to acquire our Equity Shares after the Initial Public Offer. The share application money outstanding as on November 30, 2010 has been returned to the applicants before the date of filing of the Draft Red Herring Prospectus.
11. The following shares were issued by our Company during the last 12 months at a price lower than the Issue Price:

Date	No. of shares issued	Consideration	Allotment Price (in Rs.)	Name of allottees	Remarks
June 26, 2010	30,00,000	Cash	10	Ojjus Medicare Private Limited	Allotment to the Holding Company
August 03, 2010	10,00,000	Cash	10	Ojjus Medicare Private Limited	Allotment to the Holding Company

12. As on the date of this Draft Red Herring Prospectus, the issued capital of our Company is fully paid up.
13. The Equity Shares held by the Promoters are not subject to any pledge.
14. Neither we, nor our Directors, Promoters, Promoter Group Entities and the BRLM to the Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
15. The BRLM and their associates are not holding any equity shares in our Company as on the date of filing of Draft Red Herring Prospectus with the SEBI.
16. This issue is being made through 100% Book Building process wherein not more than 50% of the Issue i.e., [●] Equity Shares shall be allotted on a proportionate basis to QIBs. Further, our Company may allocate upto 30% of the QIB Portion to Anchor Investors, out of which one-third will be available for allocation to Domestic Mutual Funds. In the event of under subscription in Anchor Investors Portion, the balance equity shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remaining Net QIB portion shall be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15% of the Issue, i.e., [●] Equity Shares shall be available for allocation on a proportionate basis

to Non-Institutional Bidders and not less than 35% of the Issue, i.e., [●] Equity Shares shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

17. Under subscription, if any, in any category would be met with spill-over from other categories or a combination of categories in accordance with applicable laws, regulations and guidelines. Investors may note that in case of over-subscription in the Issue, allotment to QIB Bidders, Non-Institutional Bidders and Retail Individual Bidders shall be made on a proportionate basis.
18. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Issue and not exceeding the maximum limit of investment prescribed under relevant laws applicable to each category of bidder.
19. Our Company has not raised any bridge loan against the proceeds of the Issue.
20. There will be no further issue of capital 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 this Draft Red Herring Prospectus until the Equity Shares offered through the Draft Red Herring Prospectus have been listed.
21. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the Bid / Issue opening date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.
22. We have not issued any shares for consideration other than cash.
23. An over-subscription to the extent of 10% of the Net Offer to Public shall be retained for purpose of rounding off to the nearer multiple of minimum allotment lot while finalizing the basis of allotment.
24. Since the entire issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
25. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
26. We do not have any Employees Stock Option Scheme or Employees Stock Purchase Scheme.
27. We have 7 shareholders on the date of filing of the Draft Red Herring Prospectus.

OBJECTS OF THE ISSUE

The Objects of the Issue are to raise funds for:

- Setting up of Diagnostic Centre at Faridabad
- Establishment of six Polyclinics
- Repayment / Prepayment of loan facilities
- General Corporate Purposes
- Expenses for the Issue

We believe that listing will enhance our brand name and create a public market for our equity shares. The main object clause of our Memorandum of Association and objects incidental to the main objects enable us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

Requirement of Funds

The total estimated funds requirement is given below:

Particulars	Amount (Rs. lakhs)
Setting up of Diagnostic Centre at Faridabad	1,643.67
Establishment of Polyclinics	3,274.20
Repayment / Prepayment of loan facilities	1,000.00
General Corporate Purposes#	[•]
Expenses for the Issue#	[•]
Total	[•]

will be incorporated at the time of filing of Prospectus

The fund requirement and deployment is based on our management estimates and vendor quotations and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan.

We operate in a highly competitive, dynamic market condition, and may have to revise our business plan from time to time. Consequently, our fund requirements and utilization of proceeds may also change accordingly. Any such change in our plans may require rescheduling of our expenditure programs, at the discretion of our management, subject to the necessary approvals, and such rescheduling, if any, shall be within the objects of the Issue.

Means of Finance

The details of the means of finance are provided below:

Particulars	Amount (Rs. lakhs)
Proceeds of the Issue	6,200.00
Internal accruals#	[•]

will be incorporated at the time of filing of Prospectus.

In case of any shortfall of the Proceeds of the Issue for the Objects or cost overruns, such shortfall will be met by way of such means available to our Company including internal accruals. In case of any surplus after utilization of the proceeds of the issue for the stated objects, we may use such surplus towards general corporate purposes. In case of variations in the actual utilization of funds earmarked for the purposes mentioned above, increase fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this issue.

Details of use of Issue Proceeds**1. Setting up of Diagnostic Centre at Faridabad**

We propose to set up a complete diagnostic centre at the hospital being set up by our Wholly Owned Subsidiary, Ojjus Fidelity Healthcare Private Limited (“**Ojjus Fidelity**”) at Faridabad. The hospital is being set up on an area of land measuring 16,935 sq. mtrs in sector 8 urban estate Faridabad at an estimated cost of Rs. 22,700 lakhs. The land has been allotted by HUDA (Haryana Urban Development Authority) at a cost of Rs. 702.80 lakhs. The total construction area of the hospital is 3.92 lakhs sq. ft. The possession of the land has been obtained by Ojjus Fidelity and civil work is in process. The hospital is proposed to be a super specialty for oncology & rehabilitation and neurology & neurosurgery with 700 beds. Ojjus Fidelity is in the process of achieving financial closure for the project.

We have entered into an agreement on January 01, 2011 with Ojjus Fidelity for leasing out 40,000 sq. ft of constructed space with basic infrastructure for setting up a diagnostic centre. As per the agreement, no lease rent is proposed to be paid to Ojjus Fidelity and instead it would be entitled for sharing the revenue of the diagnostic centre. For salient features of the agreement please refer to the section titled “History and Certain Corporate Matters” on page 61 of this Draft Red Herring Prospectus. Further Ojjus Fidelity has committed to provide us the constructed space for the diagnostic centre by September 2011. The diagnostic centre is proposed to commence operations by December 2011 even before completion of the hospital project. This will help to increase the footfalls & popularize the place to generate more business.

The diagnostic centre is proposed to be equipped with latest diagnostic equipments like CT Scanners, MRI, Digital X-ray, Ultrasound and the Pathological Laboratory. We intend to utilize Rs.1,643.67 lakhs out of the Issue Proceeds to set up the diagnostic centre. The details of equipments intended to be purchased from IPO proceeds are as follows:

S. No.	Description	Model / Make	Quotation / Vendor	Date of Quotation	Quantity	Value (in Rs. lakhs)
1.	PET / CT Scan	GE Discovery PET-CT 600	Wipro GE Healthcare Pvt. Ltd.	15/12/2010	1	825.00
2.	MRI	1.5T Brivo 355 MR System	Wipro GE Healthcare Pvt. Ltd.	14/12/2010	1	450.00
3.	Echo	Vivid 7 Dimension Leadership 4D Echo Cardiovascular Ultra Sound System	Wipro GE Healthcare Pvt. Ltd.	12/12/2010	1	58.00
4.	X-ray Digital	MediRay 500-ma	Accordis Healthcare	15/01/2011	2	50.00
5.	Fully Automatic Hematology Analyzer	Sysmex XT-2000i	Transasia Bio-Medicals Limited	08/01/2011	1	29.00
6.	Blood Coagulation Analyzer	CA-1500	Transasia Bio-Medicals Limited	08/01/2011	1	25.00
7.	Bio-chemistry Analyzer	EM-360	Transasia Bio-Medicals Limited	08/01/2011	1	15.00
8.	Fully Automated ELISA & IFA	Mago 4	Transasia Bio-Medicals Limited	08/01/2011	1	22.00
9.	Direct Access Clinical Chemistry Analyzer	ERBA CHEM - 7	Transasia Bio-Medicals Limited	08/01/2011	1	2.35
10.	Fully Automated ESR Analyzer	Vesmatic - 20	Transasia Bio-Medicals Limited	08/01/2011	1	1.50
11.	Medica Easylyte Analyzer	Easylyte Na/k	Transasia Bio-Medicals Limited	20/12/2010	1	1.50
12.	12 Channel ECG	GE Model MAC 1200	Wipro GE Healthcare Pvt. Ltd.	15/12/2010	1	1.25
13.	Furniture & Fixtures	-	H & A Dezines	10/01/2011	-	163.07
	Total					1,643.67

Implementation Schedule

Activity	Commencement date	Expected date of Completion
Possession of constructed space at the hospital	-	September 2011
Placement of order for equipments	August 2011	September 2011
Recruitment of technicians and medical professionals	August 2011	December 2011
Completion of interiors / fixtures	September 2011	November 2011
Arrival of equipments and commencement of operations	November 2011	December 2011

2. Establishment of Polyclinics (six)

We intend to set up Polyclinics for high end treatment in Neuro, cardiac, Orthopedics and Minimal Invasive Surgery within a radius of 150 km of Noida. These polyclinics are proposed to provide comprehensive general healthcare services to patients in their cities and refer patients for advance care and critical treatment to our hospital at Noida. Initially we propose to set up one polyclinic each in Muzaffarnagar, Bulandshahar, Meerut, Saharanpur, Hapur and Moradabad. All these cities are in the rich belt of western Uttar Pradesh and depend on Delhi and Noida for the high end healthcare needs. We intend to utilize Rs.3,274.20 lakhs out of the proceeds of the issue for setting up of these six polyclinics .

Each polyclinic is proposed to be developed on an area of approximately 15,000 sq. ft. on leased properties. We shall undertake the work to modify the inner structure, services, interiors and utilities. The polyclinics are proposed to have consultation rooms for specialists in OPDs. The super specialists in neuro, cardiac and orthopedics are proposed to visit the centre once a week from our hospital. The polyclinics shall be equipped with basic diagnostics like X-rays, Ultrasound, Pathology, ECG etc. The patients requiring high end treatment or critical trauma patients shall be shifted to our hospital in ambulance with advance life support system. The specialists from the local area shall be involved in the treatment and post treatment care of the patients when they return back to their city. The polyclinics shall comprise of:

- Emergency / Triage
- Consultation Rooms
- Diagnostic Centre
- IPD Beds
- Small procedure room with OT facility for minor procedures
- 24X7 Pharmacy

The detailed break-up of proposed investment in each polyclinic is as under.

(Rs in lakhs)	
Particulars	Estimated Cost
Security Deposit	27.00
Cost for civil modifications, interiors and utilities	240.00
Furniture & Fixtures	60.00
Cost of Medical Equipment	119.93
Miscellaneous Fixed Assets	98.77
TOTAL	545.70

The security deposit / advance has been estimated at 6 months' rent with an average rent of Rs. 30 sq ft per month. The cost of interiors will include civil modifications for consultation rooms, emergency area, diagnosis centre, small procedure rooms with OT facilities for minor procedures, air conditioning, electrical, medical gas pipeline, fire fighting, gensets, lifts etc The cost of interiors at Rs. 240 lakhs and furniture & fixture at Rs. 60 lakhs per polyclinic is based as per quotation dated January 12, 2011 of Kothari Associates Private Limited, New Delhi.

Medical Equipments

The breakup of medical equipments required for each of the polyclinic is as under. The cost of medical equipments is estimated at Rs 119.93lakhs which is based on the quotations received from various vendors.

S. No.	Description/Type	Model / Make	Name of Supplier/ Vendor	Date of Quotation	Quantity	Amount (Rs in lakhs)
1	Patient Monitor	GE B30	Wipro GE Healthcare Pvt. Ltd.	15/12/2010	2	8.66
2	Patient Monitor	DASH 4000	Wipro GE Healthcare Pvt. Ltd.	15/12/2010	1	5.53
3*	Ventilator	Carina	Drager Medical India Pvt. Ltd. (at a price of Euro 11,789.40 per machine)	17/12/2010	2	14.24
4*	Anaesthesia Work Station	Fabius Plus	Drager Medical India Pvt. Ltd. (at a price of Euro 21,898.04)	17/12/2010	1	13.23
5	Electro Hydraulic Operating Table	SS-1100	Cognate India	08/01/2011	1	4.37
6	Ceiling Shadowless Operating Lamp	CI-LED 5+3	Cognate India	08/01/2011	1	6.56
7	Blood Coagulation Analyzer	Sysmex CA-50	Transasia Bio-Medicals Limited	08/01/2011	1	2.35
8	Automated hematology analyser	Sysmex KX-21	Transasia Bio-Medicals Limited	08/01/2011	1	4.75
9	Bio-chemistry Analyzer	Erba Chem – 5+V2	Transasia Bio-Medicals Limited	08/01/2011	1	1.80
10	Holter Analysis System	GE Mars Express	Wipro GE Healthcare Pvt. Ltd.	15/12/2010	1	6.00
11	Defibrillator	GE Responder 2000	Wipro GE Healthcare Pvt. Ltd.	15/12/2010	1	5.45
12	ECG Machine	GE Mac 600 ¾ Channel	Wipro GE Healthcare Pvt. Ltd.	15/12/2010	2	1.70
13	Ultrasound / Color Doppler System	LOGIQ P 5 PRO	Wipro Healthcare Pvt. Ltd.	17/01/2011	1	16.00
14	ICU / Emergency Beds with lockers and table	DX4000	Janak Healthcare Private Limited	29/07/2010	5	6.09
15	Patients bed with lockers and table	Semi fowler BX 2000	Janak Healthcare Private Limited	28/09/2010	10	5.70
16	X-ray Machine	MediRay 300-ma	Accordis Healthcare	15/01/2011	1	15.00
17	Miscellaneous Surgical Instruments		Management Estimate			2.50
	TOTAL					119.93

*The conversion rate has been taken at Euro = Rs. 60.40 for imported equipments

Miscellaneous Fixed Assets

We need to incur expenditure on other miscellaneous fixed assets as well like ambulances with advance life support systems, stretcher trollies, dressing trollies, wheel chairs, oxygen cylinders, cctv cameras, computers and other office equipment. The cost of miscellaneous fixed assets is estimated at Rs 98.77 lakhs for each polyclinic.

Item	Model / Make	Name of Supplier	Quantity	Amount (Rs in lakhs)
Traveller Ambulance	Chassis - E-IV, 3350 mm WB Body Fabrication	Tempo Automobiles Private Limited Jesai Healthcare (India) Private Limited	1	9.10 6.03
Equipments for Ambulance	Ventilator Model S2/T, defibrillator (AED), Phillips-Suresigns, Syringe Pump, Infusion Pump etc.	Jesai Healthcare (India) Pvt. Ltd	1	8.64
Computers & office equipments, stretcher trollies, dressing trollies, oxygen cylinders, wheel chairs, weighing machines etc.		Management Estimates		75.00
TOTAL				98.77

Implementation Schedule for setting up of six Polyclinics

Activity	Commencement date	Expected date of Completion
Possession of constructed space	September 2011	December 2011
Placement of order for equipments	September 2011	December 2011
Completion of interiors / fixtures	October 2011	January 2012
Arrival of equipments and commencement of operations	December 2011	February 2012

3. Repayment / Prepayment of loan facilities

We have outstanding secured term loans of Rs 5,669.82 lakhs including Rs. 1,865.55 lakhs on account of External Commercial Borrowings as on November 30, 2010. For details of our borrowings as on November 30, 2010, refer to the chapter titled "Financial Indebtedness" on page 120 of the Draft Red Herring Prospectus. We intend to utilize up to Rs. 1,000.00 lakhs out of the proceeds of the issue towards the prepayment / repayment of the secured debt. The prepayment / repayment of debt will reduce our financial expenses and thus improve our profitability. Brief details of the loan facilities proposed to be partly repaid / prepaid from the proceeds of the Issue are provided below:

(Rs. in lakhs)

Name of Bank	Nature of Loan	Purpose of Loan	Date of Sanction / Disbursement	Current rate of interest	Loan sanctioned	Amount Outstanding (as on November 30, 2010)	Amount proposed to be repaid
Bank of India	Term Loan	Purchase of Medical Equipment	August 26, 2010	13.00 % p.a.	1,875.00	1,754.12	1,000.00

Prepayment penalty at a simple rate of 2% p.a. is to be charged for the remaining tenure of the term loan. Mr. V K Lalla (Membership No. 80847), Partner, Chandiook Guliani, Chartered Accountants, vide their certificate dated January 17, 2011 has certified that the said loan has been used for the purpose for which the same was raised from the Bank.

4. General Corporate Purposes

The Proceeds of the Issue will be first utilized towards the Objects. We intend to deploy the balance Issue proceeds aggregating Rs. [●] lakhs, towards the general corporate purposes, including but not restricted to entering into brand building exercises and strengthening our marketing capabilities or contingencies in ordinary course of business which may not be foreseen or any other purposes as approved by our Board of

Directors. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. However, not more than 25% of the proceeds of issue would be deployed for the General Corporate purposes.

5. Expenses for the Issue

The Issue related expenses consist of underwriting fees, selling commission, fees payable to BRLM to the Issue, Legal Counsel, Escrow Collection Banks and Registrar to the Issue, printing and distribution expenses, advertising and marketing expenses, depository fees, and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. We intend to use about Rs. [●] lakhs towards these expenses for the Issue. All expenses with respect to the Issue will be borne out of Issue proceeds.

Particulars	Amount (Rs. in Lakhs)*	As a % of Total Issue Size	As a % of Total Issue Expenses
BRLM / Syndicate member fee	[●]	[●]	[●]
Underwriting & Selling Commission	[●]	[●]	[●]
Advertising & Marketing expenses	[●]	[●]	[●]
Registrar Fee	[●]	[●]	[●]
Printing, Stationary, Dispatch	[●]	[●]	[●]
Other expenses (including listing fee, SEBI filing fee, Legal Counsel fee, IPO Grading fee, Depository charges, Auditor's fee, etc.)	[●]	[●]	[●]
Total	[●]	[●]	[●]

*will be incorporated at the time of filing of the prospectus

Estimated Schedule of Deployment of Funds

The entire proceeds received from the issue are proposed to be utilized in the financial year 2011-12.

Deployment of Funds in the Project

We have incurred Rs. 12.13 lakhs upto November 30, 2010 towards objects of the issue which has been certified by Mr. V K Lalla (Membership No. 80847), Partner, Chandok & Guliani, Chartered Accountants, vide their certificate dated January 17, 2011. The same has been incurred towards payment of issue related expenses and have been financed through internal accruals.

Second hand Machinery

We do not intend to utilize the proceeds of the issue for any purchase of second hand machinery or equipment.

Working Capital Requirement

The proceeds of the issue will not be used to meet our working capital requirements as we expect to have internal accruals, avail debt and / or drawdown from our existing or new lines of credit to meet our working capital requirements.

Bridge Financing Facilities

We have not raised any bridge loan against the proceeds of the issue.

Appraisal

The funds requirement and funding plans are our own estimates and have not been appraised by any Bank / Financial Institution.

Interim Use of Proceeds

Pending utilization of the proceeds out of the Issue for the purposes described above, we intend to temporarily invest the funds in high quality interest bearing liquid instruments including money market

mutual funds, deposits with banks and other investment grade interest bearing securities as may be approved by the Board. Such investments would be in accordance with the investment policies approved by the Board from time to time.

Monitoring of Utilization of Funds

There is no requirement for appointment of an independent monitoring agency in terms of Regulation 16(1) of the SEBI ICDR Regulations. Pursuant to Clause 49 of the listing agreement, the Audit Committee of our Board will monitor the utilization of the proceeds of the Issue.

We shall, on a quarterly basis disclose to the Audit Committee the uses and application of the proceeds of the Issue and further disclose the same a part of the quarterly declaration of financial results. We will disclose the utilization of the proceeds of the Issue under a separate head in our balance sheet till such time the proceeds of the Issue have been utilised, clearly specifying the purpose for which such proceeds have been utilized. We will also, in our balance sheet till such time the proceeds of the Issue have been utilised, provide details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue. The said annual disclosure shall also be certified by the Statutory Auditors of the Company.

No part of the proceeds from the Issue will be paid by us as consideration to our Promoter, our Directors, Key Management Personnel or Promoter Group Entities, except in the normal course of our business as disclosed under section titled “Interest of Directors”, “Interest of Promoters” and “Interest of Key Managerial Personnel” on page 71, 78 and 76 of this Draft Red Herring Prospectus.

ISSUE STRUCTURE

The present Issue of [●] Equity Shares, at a price of Rs. [●] for cash aggregating Rs. 6,200 lakhs alongwith one detachable warrant with each share offered, is being made through the 100% Book Building Process.

Particulars	QIBs [#]	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares*	Not more than [●] equity shares or Issue less allocation to Non-Institutional Bidders and Retail Bidders	Not less than [●] equity shares or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] equity shares or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue Size available for allocation	Not more than 50% of the Issue (of which 5% shall be available for allocation for Mutual Funds) or Issue less allocation to Non-Institutional Bidders and Retail Bidders. Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion, if any, in the Mutual Fund portion will be available to remaining QIBs.	Not less than 15% of the Issue or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than 35% of the Issue or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allocation if respective category is oversubscribed	Proportionate as follows: (a) Upto [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds in the Mutual Funds Portion; (b) Balance [●] Equity Shares shall be allocated on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate
Minimum Bid / Bid lot	Such number of Equity Shares that the Bid Amount exceeds Rs 2,00,000 and in multiples of [●] Equity Shares thereafter.	Such number of Equity Shares that the Bid Amount exceeds Rs 2,00,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid / Bid lot	Such number of equity shares not exceeding the Issue, subject to regulations as applicable to the Bidder.	Such number of equity shares not exceeding the Issue subject to regulations as applicable to the Bidder.	Such number of Equity Shares so as to ensure that the Bid Amount does not exceed Rs. 2,00,000
Mode of Allotment	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form
Allotment lot	[●] equity shares and in multiple of 1 equity share thereafter	[●] equity shares and in multiple of 1 equity share thereafter	[●] equity shares and in multiple of 1 equity share thereafter
Trading Lot	One Equity Share	One Equity Share	One Equity Share
Who can Apply**	Public financial institutions, as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds, foreign	Resident Indian individuals, HUF (in the name of Karta), companies, corporate	Individuals (including NRIs and HUFs in the name of Karta) applying for Equity Shares such

Particulars	QIBs #	Non-Institutional Bidders	Retail Individual Bidders
	institutional investor registered with SEBI, multilateral & bilateral development financial institutions, Venture Capital Funds registered with SEBI, foreign Venture capital investors registered with SEBI, State Industrial Development Corporations, Insurance Companies registered with the Insurance Regulatory and Development Authority, Provident Funds with minimum corpus of Rs. 2,500 lakh and Pension Funds with minimum corpus of Rs. 2,500 lakh and National Investment Fund set up by Resolution No. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India.	bodies, NRIs, societies and trusts	that the Bid Amount does not exceed Rs. 200,000 in value.
Terms of Payment ***	QIB Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Members of the syndicate.	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Members of the syndicate.	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Members of the syndicate.
Margin Amount	100% of the bid amount on bidding (payable for equity shares)	100% of the bid amount on bidding (payable for equity shares)	100% of the bid amount on bidding (payable for equity shares)

Our Company may allocate upto 30% of the QIB Portion to Anchor Investors, out of which one-third will be available for allocation to Domestic Mutual Funds. In the event of under subscription in Anchor Investors Portion, the balance equity shares shall be added to the Net QIB Portion.

* Subject to valid bids being received at or above the Issue Price. Under subscription, if any, in any category would be met with spill-over from other categories or a combination of categories in accordance with applicable laws, regulations and guidelines. Investors may note that in case of over-subscription in the Issue, allotment to QIB Bidders, Non-Institutional Bidders and Retail Individual Bidders shall be on a proportionate basis

** In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and in the same sequence in which they appear in the Bid cum Application Form.

*** In case of ASBA Bidders, the SCSB shall be authorized to block such funds in the bank account of the ASBA Bidder that are specified in the ASBA Bid cum Application Form.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by us in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares offered by way of Book Building.

Investors should read the following summary along with the section titled “Risk Factors” on page (x) and section titled “Financial Statements” on page 86 of this Draft Red Herring Prospectus. The trading price of the equity shares of our Company could decline due to these factors and you may lose all or part of your investment.

Qualitative Factors

Our following strengths help us to complete successfully in our industry:

- Experienced Team of Skilled doctors
- Quality patient care
- Specialty focus

For details on the qualitative factors which form the basis for computing the price, please see the section titled “Our Business” on page 48 of this document.

Quantitative Factors

Information presented in this section is derived from the company’s restated standalone financial statements prepared in accordance with Indian GAAP. The quantitative factors, which form the basis for computing the price, are as follows:

1. Weighted average Earning Per Share (Basic & Diluted)

Period	EPS (Rs)	Weight
Year ended March 31, 2008	0.25	1
Year ended March 31, 2009	4.79	2
Year ended March 31, 2010	5.50	3
Weighted Average EPS	4.39	

The EPS based on restated standalone financial statements for the eight months ended November 30, 2010 is Rs. 11.10.

2. Price Earning (P/E) ratio in relation to Issue Price of Rs. [●] per share of Rs. 10 each

	At the lower Band of Rs. [●]	At the upper Band of Rs. [●]
a) Based on weighted average EPS (financial statements)	[●]	[●]
b) Based on EPS as on March 31, 2010 (financial statements)	[●]	[●]
c) Industry PE Multiple:		
Highest (Fortis Healthcare Limited)		68.40
Lowest (Indraprastha Medical Corporation Limited)		11.90
Average		40.60

Source: Capital Market Vol. XXV/22 dated Dec 27, 2010 - Jan 09, 2011, Industry: Healthcare

3. Return on Net Worth

Year	RONW%	Weight
Year ended March 31, 2008	3.36	1
Year ended March 31, 2009	20.77	2
Year ended March 31, 2010	20.77	3
Weighted Average	17.87	

Return on Net Worth based on the restated standalone financial statements for the eight months period ended November 30, 2010 is 32.54%

Minimum Return on total Net Worth after issue needed to maintain pre-issue EPS of Rs. [●] is [●] %.

4. Net Asset Value per Equity Share

Particulars	Restated Standalone financial statements (Rs)
As on March 31, 2010	26.48
As on November 30, 2010	28.40
After the Issue	[●]
Issue Price	[●]

5. The accounting ratios of selected companies in the Industry Group

Name of the Company	Face Value (Rs.)	EPS (Rs.)	P/E	RONW%	NAV (Rs.)
Goodwill Hospital and Research Centre Limited (As on March 31, 2010)	10	5.50	[●]	20.77	26.48
Fortis Malar Hospitals Limited	10	2.00	18.30	-	11.00
Kovai Medical Centra & Hospital Limited	10	8.70	14.20	32.90	36.80
Poly Medicure Limited	10	18.10	16.40	31.00	54.40
Regency Hospital Limited	10	1.50	32.50	5.30	24.80

Source: Capital Market Vol. XXV/22 dated Dec 27, 2010 - Jan 09, 2011, Industry: Healthcare

The Issue Price is [●] times of the face value of the Equity Shares.

The issue price of Rs. [●] per Equity Share has been determined by us in consultation with the BRLM, on the basis of assessment of market demand for the offered securities by way of Book Building process and is justified based on the above accounting ratios. Investor should read the following summary along with the section titled “Risk Factors” on page (x), “Financial Statement” on page 86 and the “Our Business - Strengths and Growth Strategies” on page 51 of this Draft Red Herring Prospectus.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Goodwill Hospital and Research Centre Limited,
705, Kailash Building, 26, Kasturba Gandhi Marg,
New Delhi – 110001

Dear Sir,

Statement of Possible Tax Benefits available to the Company and its shareholders

We hereby report that the enclosed statement states the possible tax benefits available to the company and to the shareholder of the Company under the Income Tax act 1961 and Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive. 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 issue.

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

- 1) The company or its share holders will continue to obtain these benefits in future; or
- 2) The conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statements are based on information, explanation and representations obtained from the company and on the basis of their understanding of the business activities and operations of the Company.

We have no objection if the attached statement i.e. Tax Benefits Available to Goodwill Hospital and Research Centre Limited and its shareholders is incorporated in the Red Herring Prospectus / Prospectus to be submitted to the concerned authorities.

For Chandiok & Guliani
Chartered Accountants
Firm Reg. No.: 001199N

V. K. Lalla
Partner
M No.80847

Place: New Delhi
Date: January 17, 2011

STATEMENT TAX BENEFITS

As per current provisions of the Income Tax Act, 1961 and the existing laws for the time being in force, no special tax benefits are available to the Company or its shareholders.

The following general tax benefits will be available to the company & its members:

(A) Under the Income –Tax Act, 1961(“the Act”)

1. Benefits Available to the Company

1.1 Under Section 10(34) of the Act, any income by way of dividends referred to in section 115O (i.e. dividends declared, distributed or paid on or after April 1, 2003 by domestic companies) received on the shares of any Company is exempt from Tax.

1.2 Under section 32(1) (ii) of the Act, the company can claim depreciation allowance at the prescribed rates on tangible assets such as building, plant and machinery, furniture and fixtures etc. and intangible assets such as patent, trademark, copyright, licenses, know-how, franchises or any other business or commercial rights of similar nature if acquired after March 31, 1998.

1.3 The Company is eligible for amortization of preliminary expenses being the expenditure on public issue of share under Section 35D (2) (c) (iv) of the Act, subject to limits specified in sub section (3).

1.4 Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets (other than those exempt u/s 10(38) of the Act) shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months after the date of such transfer for a period of at least three years in the bonds issued by-

- a) National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the propose of this section ;or
- b) Rural Electrification Corporation limited (RECL) a company formed and registered under the Companies Act 1956, and notified by the Central Government in the Official Gazette for the purpose of this section.

1.5 Under the Provisions of Section 48 of the Income Tax Act, 1961 if the company’s shares are sold after being held for not less than twelve months, the gains if any will be treated as long term capital gains and the gains shall be calculated by deducting from the gross consideration, the indexed cost of acquisition.

1.6 Under Section 112 of the Income Tax Act, 1961 and other relevant provisions of the Act, Long Term Capital Gains (i.e. shares are held for a period exceeding 12 months) (in case not covered under section 10(38) of the Act), arising on transfer of shares in the Company, shall be taxed at the rate of 20% (Plus applicable surcharge) after indexation as provided in the second proviso to section 48. The amount of such tax should however, be limited to 10% (plus applicable surcharge) without indexation, at the option to the shareholder, if the transfer is made after listing of shares.

1.7 Under Section 111A of the Income Tax Act 1961 and other relevant provision of the Act, short term capital gains, (i.e., if shares are held for a period of less than 12 months) (in case not covered under section 10(38) of the Act), arising on transfer of shares of the company shall be taxed at a rate of 15% (plus applicable education cess) subject to conditions specified therein.

1.8 As per the provisions of Section 10(38) of the Income Tax Act, as inserted by Finance (No.2) Act, 2004, any income arising from the transfer of a long term capital asset being an equity share in a Company or a Unit of an Equity Oriented Fund (held for more than 12 months) where the sale transaction is chargeable to securities transaction tax, is exempt from tax.

1.9 The company is entitled to a deduction under section 80 G of the Income tax Act in respect of amounts contributed as donations to various charitable institutions and funds covered under that section subject to fulfillment of conditions prescribed therein.

1.10 In terms of Section 115JAA(1A) of the Act tax credit shall be allowed for any Assessment Year commencing on or after April 01, 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Act. The credit is available for set off only when tax becomes payable under the normal provisions and the tax credit can be utilized to set-off any tax payable under the normal provisions in excess of MAT payable for that relevant year. MAT credit in respect of MAT paid shall be available for set-off upto 10 years succeeding the year in which the MAT credit initially arose.

2. Benefits Available to the Resident Shareholders

2.1 Under Section 10(34) of the Act, income earned by way of dividend from, domestic company referred to in section 115-o of the Act is exempt from income – tax in the hands of the shareholders.

2.2 In terms of section 10(23D) of the Income Tax Act all mutual funds setup by public sector bank or public financial institutions or Mutual Funds registered under the Securities and Exchange Board of India or authorized by the Reserve Bank of India, subject to the conditions specified therein are eligible for exemption from Income Tax on all their income, including income from investments in shares of the company.

2.3 Under the Provisions of Section 48 of the Income Tax Act, 1961 if the company's shares are sold after being held for not less than twelve months, the gains if any will be treated as long term capital gains and the gains shall be calculated by deducting from the gross consideration, the indexed cost of acquisition.

2.4 In accordance with and subject to the conditions and to the extent specified in Section 54 EC of the Income Tax Act, 1961, the Shareholders would be entitled to exemption from long Term Capital Gains on sale of shares of the company upto investment made out of long Term Capital Gains arising from the sale of such shares in any specified Bonds issued by National Highways Authority of India (NHAI), Rural Electrification Corporation of India (RECI).

2.5 In case of shareholder, being an individual or Hindu Undivided Family, in accordance with and subject to the conditions and to the extent specified in Section 54F of the Income Tax Act, 1961 the shareholders would be entitled to exemption from Long Term Capital Gains on sale of their shares in the company upon investment of Net consideration in purchase/ construction of a residential house.

2.6 Under Section 111A of the Income Tax Act 1961 and other relevant provision of the Act, short term capital gains, (i.e., if shares are held for a period of less than 12 months) (in case not covered under section 10(38) of the Act), arising on transfer of shares of the company shall be taxed at a rate of 15% (plus applicable education cess) if the following condition are satisfied.

- a) The transaction of sale of such equity share or unit is entered into on or after October 1, 2004.
- b) Such transaction is chargeable to securities transaction tax.

2.7 As per the provisions of Section 10(38) of the Income Tax Act, as inserted by Finance (No.2) Act, 2004, any income arising from the transfer of a long term capital asset being an equity share in a Company or a Unit of an Equity Oriented Fund (held for more than 12 months) where the sale transaction is chargeable to securities transaction tax, is exempt from tax.

2.8 As per section 112 of the Act, taxable long-term capital gains, if any, on sale of shares of the Company other than exempt under the provision of section 10(38) will be charged to tax at the rate of 20% (plus applicable surcharge and cess) after considering indexation benefits or at 10% (plus applicable surcharge and cess) without indexation benefits, whichever is less. Under section 48 of the Act, the long term capital gains arising out of sale of shares will be computed after indexing the cost of acquisition/ improvement.

3. Benefits Available to the Non-Resident Indians/Non-Resident Shareholders (Other than Foreign Institutional Investors):

3.1 Under Section 115-I of the Income Tax Act, a non-resident Indian (i.e. an individual being a citizen of India or a person of Indian Origin who is not a resident may elect not to be governed by the provisions of Chapter XII-A (Sections 115-C to Sections 115-I) for any Assessment Year by declaring in writing in the return. In that case his income for that year shall be computed and tax on such total income shall be charged in accordance with the other provisions of the Income Tax Act.

3.2 In case of Non-Resident Shareholders, if the shares in the company have been acquired or purchased with, or subscribed to, in convertible foreign currency, the Long Term Capital Gains on Sale of shares in the company (transfer of shares held for more than a period of 12 months) (in case not covered under section 10(38) of the act) shall be concessionally charged to tax at the rate of 10% (Plus Surcharge as applicable) (without indexation benefit but with protection against foreign exchange fluctuation) without aggregating any other income earned in India, which is taxed separately as specified in clause (b) to Section 115E.

3.3 The long Term Capital Gains on sale of shares (in case not covered under section 10(38) of the Act) in the company shall be exempted from tax upon re-investment of Net consideration in any specified assets as specified in sub section (1) to Section 115F within six months from the date of Transfer of Shares. The amount so exempt from tax shall, however, be chargeable to tax, if the new asset is transferred or converted into money within three years from the date of acquisition of the specified new asset.

3.4 Under Section 10(34) of the Act, income earned by way of dividend from, domestic company referred to in section 115-o of the Act is exempt from income – tax in the hands of the shareholders.

3.5 As per section 10(38) of the Act, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.

3.6 As per first proviso to section 48 of the Act, in case of a non resident shareholder, the capital gain/loss arising from transfer of shares of the Company, acquired in convertible foreign exchange, is to be computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was initially utilized in the purchase of shares. Cost Indexation benefit will not be available in such a case.

3.7 In accordance with and subject to the conditions and to the extent specified in Section 54 EC of the Income Tax Act, 1961, the Shareholders would be entitled to exemption from long Term Capital Gains on sale of shares of the company upto investment made out of long Term Capital Gains arising from the sale of such shares in any specified Bonds issued by National Highways Authority of India (NHAI), Rural Electrification Corporation of India (RECI).

3.8 In case of shareholder, being an individual or Hindu Undivided Family, in accordance with and subject to the conditions and to the extent specified in Section 54F of the Income Tax Act, 1961 the shareholders would be entitled to exemption from Long Term Capital Gains on sale of their shares in the company upon investment of Net consideration in purchase/ construction of a residential house.

3.9 As per section 111A of the Act, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and cess).

3.10 As per section 112 of the Act, taxable long-term capital gains, if any, on sale of shares of the Company (other than exempt under the provision of 10(38)) will be charged to tax at 20% (plus applicable surcharge and cess) after considering indexation benefit or at 10% (plus applicable surcharge and cess) without indexation benefits, whichever is less.

3.11 As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

3.12 As per section 115H of the Act, where Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

3.13 In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Double Tax Avoidance Agreement, if any, between India and the country in which the non-resident is resident. As per the provisions of section 90(2) of the Act, the provisions of the Double Tax Avoidance Agreement would prevail over the provisions of the Act to the extent they are more beneficial to the non-resident.

4. Benefits Available to Foreign Institutional Investors (FIIs)

4.1 In terms of section 10(34) of the Income Tax Act, 1961, any income by way of dividends referred to in section 115-O (i.e. dividends declared, distributed or paid on or after 1 April, 2003) received on the shares of the company is exempted from the tax

4.2 As per section 10(38) of the Act, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt to tax in the hands of the FIIs.

4.3 Under Section 54 EC of the Income Tax Act, 1961, and subject to the conditions and to the extent specified therein, long term capital gains (in cases not covered under section 10(38) of the Act), arising on the transfer of shares of the Company will be exempt from Capital gains tax if the capital gain are invested a period of 6 months after the date of such transfer for a period of at least 3 years in bonds issued by:

- a. National Highway Authority of India constituted under section 3 of the National Highway Authority of India Act, 1988.
- b. Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

4.4 As per section 111A of the Act, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15 % (plus applicable surcharge and cess).

4.5 As per section 115AD of the Act, FIIs will be taxed on income or capital gains arising in respect of securities (other than unit referred to in section 115AB), at the following rates:

Nature of income	Rate of tax (%)
Long term capital gains other than exempt under the provision of section 10(38)	10
Short term capital gains other than referred to in section 111A	30

The above tax rates have to be increased by the applicable surcharge and cess.

In case of long term capital gains, (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.

4.6 As per section 196D of the Act, no tax is to be deducted from any income, by way of capital gains arising from the transfer of shares payable to Foreign Institutional Investor.

4.7 The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Double Tax Avoidance Agreement, if any, between India and the country in which the FII is resident. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Double Tax Avoidance Agreement to the extent they are more beneficial to the FII.

5. Benefits Available to Mutual funds

5.1 As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

(B) Benefits available under the Wealth Tax Act, 1957

Asset as defined under section 2(ea) of the Wealth tax Act, 1957 does not include shares in companies and hence, shares of the Company are not liable to wealth tax in the hands of shareholders.

(C) Benefits available under the Gift Tax Act.

Gift tax is not leviable in respect of any gifts made on or after 1st October 1998. Therefore, any gift of shares of the Company will not attract gift tax.

Notes

1. All the above benefits are as per the current tax laws. Accordingly, any change or amendment in the laws/regulation, including provision of proposed direct Taxes Code, which are likely to be effective from 1st of April, 2011, would impact the same.
2. 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 investments in the shares and warrants of the company.
3. The above Statement of Possible 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 shares and warrants.
4. The stated benefits will be available only to the sole/first named holder in case the shares are held by joint holders.

For Chandiok & Guliani
Chartered Accountants
Firm Reg. No.: 001199N

V. K. Lalla
Partner
M No.80847

Place: New Delhi
Date: January 17, 2011

INDUSTRY OVERVIEW

The information presented in this section has been obtained from publicly available documents from various sources, including officially prepared materials from the Government bodies and industry websites/publications. Industry websites/publications generally state that the information contained therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe industry, market and government data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified. Similarly, internal Company estimates, while believed by us to be reliable, have not been verified by any independent agencies. The information / data in this has been sourced from the following:

Website of FICCI – www.ficci.com

Website of Central Statistical Organization – www.mospi.gov.in

Website of Department of Industrial Policy & Promotion – www.dipp.nic.in

Website of Competition Commission of India - www.cci.gov.in

Website of Ministry of Health and Family Welfare – www.mohfw.nic.in

Website of IBEF – www.ibef.org

INDIAN ECONOMY OVERVIEW

Indian economy has been witnessing a phenomenal growth since the last decade. As per the Revised Estimates (RE) of Central Statistical Organization (CSO), the growth in gross domestic product at factor cost at constant (2004-05) prices was estimated at 7.4 per cent in 2009-10 over the Quick Estimates of GDP for the year 2008-09. As per the latest estimates available on the Index of Industrial Production (IIP), The General Index stood for November 2010 at 317.90, which is 2.7% higher as compared to the level in the month of November 2009. The cumulative growth for the period April - November 2010-11 stands at 9.5% over the corresponding period of the previous year. The indices of industrial production for mining, manufacturing and electricity, registered growth rates of 6.0%, 2.3% and 4.6%, respectively for the month of November 2010 as compared to November 2009. The cumulative growth during April - November 2010-11 over the corresponding period of 2009-10 in the three sectors have been 8.0%, 10.0% and 4.5% respectively. In terms of industries, as many as nine (9) out of the seventeen (17) industry groups (as per 2-digit NIC-1987) have shown positive growth during the month of November 2010 as compared to the corresponding month of the previous year.

The Foreign Direct Investment (FDI) investment has gone up from USD 34.84 Billion in 2007-08 to USD 37.76 Billion in 2009-10 as per provisional figures by RBI. Total FDI inflows in India for eight months ending November 2010 stood at USD 19.00 Billion and the cumulative amount of FDI inflows from April 2000 - November 2010 amounts to US\$ 186.79 Billion.

INDUSTRY OVERVIEW

The health industry has emerged as one of the most challenging sectors as well as one of the largest service sector industries in India with an estimated revenue of US\$35 billion; it constitutes 5.2% of India's GDP and employs 4 million people. The Indian health industry is expected to grow at 15% per annum to US\$78.6, reaching 6.1% of GDP and employing 9 million people by 2012. It is expected to become a US\$ 280 billion industry by 2020.

Recognizing the significant potential and challenges in the health sector, the government has prioritized it in the Eleventh Five Year Plan. The private sector plays a significant role by contributing 4.3% of GDP and 80% share of healthcare provision. However, deficiencies persist with respect to access, affordability, efficiency, quality and effectiveness, despite the high level of overall private and public expenditure on health.

In order to be comparable with the healthcare parameters of other developing countries, India's healthcare sector faces many challenges. For example, to reach a ratio of two beds per 1000 population by 2025, an additional 177 billion beds will be required which will need a total investment of US\$86 billion. There is an acute shortage of doctors, nurses, technicians and healthcare administrators and an additional 0.7 million doctors are needed to reach a doctor population ratio of 1:1000 by 2025. Although the health insurance sector is projected to grow to US\$3.8 billion in collected premiums by 2012 from the annual collected

premium of US\$711 million in 2006, there is a dismal health insurance penetration rate; at present only 2% of the total population is insured.

According to the WHO, total expenditure on healthcare in India constituted 4.1% of the Gross Domestic Product (GDP) in 2007 and was lower than in 2000, when it constituted 4.4%. This is lower than healthcare spending in other developing countries such as Brazil (8.4%), China (4.3%), Russia (5.4%) and South Africa (8.6%). In 2007, government spending on healthcare amounted to 3.7% of total government expenditure and 26.2% of total healthcare expenditure in India, as compared to 5.4% & 41.6% in Brazil, 9.9% & 44.7% in China, 10.2% & 64.2% in Russia and 10.8 & 41.4% in South Africa. Similarly, per capita total expenditure on healthcare was US\$ 40 in India as compared to US\$ 606 in Brazil, US\$ 108 in China, US\$ 493 in Russia and US\$ 497 in South Africa during 2007.

Country	Total Expenditure on Health as % of GDP	Government Expenditure on Health as % of total government expenditure	Government Expenditure on Health as % of total expenditure on health	Per Capita Total Expenditure on Health at average exchange rate (US \$)	Per Capita Govt. Expenditure on Health at average exchange rate (US \$)
	2007	2007	2007	2007	2007
India	4.1	3.7	26.2	40	11
Brazil	8.4	5.4	41.6	606	252
China	4.3	9.9	44.7	108	49
Russia	5.4	10.2	64.2	493	316
Japan	8.0	17.9	81.3	2,751	2,237
Malaysia	4.4	6.9	44.4	307	136
South Africa	8.6	10.8	41.4	497	206
United Kingdom	8.4	15.6	81.7	3,867	3,161
United States	15.7	19.5	45.5	7,285	3,317

Source: The WHO (World Health Statistic 2010)

According to the WHO, despite increasing expenditure on healthcare, India lags behind other developing nations in many health categories, including life expectancy and infant mortality. Indian healthcare infrastructure and the number of healthcare professionals also compare poorly to other developing countries. India had only 9 hospital beds per ten thousand population in 2009, while countries such as Brazil, China, Russia and South Africa had an average of 24, 30, 97, 28 beds per ten thousand population respectively. However as per a study by an industry body and Ernst & Young, India would require another 1.75 million beds by the end of 2025.

Country	Life Expectancy at Birth Years	Infant Mortality Rate (Per 1,000 live births)	Number of Physicians Nos.	Physicians Density (Per 10,000 population)	Number of Nurses Nos.	Nurses Density (Per 10,000 population)	Number of Dentist Nos.	Dentist Density (Per 10,000 population)	Hospital Beds (Per 10,000 population)
	2008	2008	2009	2009	2009	2009	2009	2009	2009
India	64	52	6,43,520	6	13,72,059	13	55,344	1	9
Brazil	73	18	3,20,013	17	5,49,423	29	2,17,217	12	24
China	74	18	18,62,630	14	12,59,240	10	1,36,520	1	30
Russia	68	9	6,14,183	43	12,14,292	85	45,628	3	97
Japan	83	3	2,70,371	21	12,10,633	95	95,197	7	139
Malaysia	73	6	17,020	7	43,380	18	2,160	1	18
South Africa	53	48	34,829	8	1,84,459	41	5,995	1	28
United Kingdom	80	5	1,26,126	21	37,200	6	25,914	4	39
United States	78	7	7,93,648	27	29,27,000	98	4,63,663	16	31

Source: The WHO (World Health Statistic 2010)

The Indian Healthcare Industry

The Healthcare Sector in India comprises of hospitals and allied sectors such as diagnostics and pathology, medical equipments and supplies, medical tourism and private medical insurance. During the period 2000-09, the sector has registered a growth of 9.3%. The share of private expenditure as to the total expenditure on health has grown from about 60% to almost 80% over the last decade. The current share of public expenditure on health is 20%. With a view to raise government expenditure on health as a proportion of GDP to 2-3 % by 2012, the government launched the National Rural Health Mission [NRHM] in 2005. There are an increasing number of private players changing the nations' health delivery landscape. New hospitals are mushrooming even in Tier II and Tier III Cities and leading healthcare entrepreneurs with deep pockets are expanding. At the root is the new age patient who is ready to undertake the best possible treatment that money can buy. State of art technology, wonder drugs and five star facilities are now the hospital mantra. It is booming industry both in terms of revenue and employment. Currently the industry employs over 4 million people making one of the largest service industries in the economy.

The key issues driving growth in the healthcare industry have been identified as follows:

- 1) Population Growth
- 2) Expanding Middle Class-
- 3) Health Consciousness
- 4) Rise of Diseases
- 5) Medical Tourism

The Public Healthcare in India

The public health infrastructure of India has grown since independence, but it is yet to match the basic healthcare facilities in many other countries. While in 1947 the number of hospital beds was 3.2 per 10,000, the present number of 9 per 10,000 is commendable but still far behind those of other developing countries. The healthcare system consists of primary, secondary and tertiary healthcare centres, and the focus of public healthcare has been on Primary healthcare [NRHM] as well as centres providing healthcare services and education. Government health care services are organised at different levels. Primary health care is provided through a network of over 146,036 health sub-centres, 23,458 PHCs and 4,276 CHCs. At the district level on an average there is a 150-bedded civil/district hospital in the main district town and a few smaller hospitals and dispensaries spread over other towns and larger villages.

Private Healthcare in India

At the time of independence only about 8 per cent of all qualified modern medical care was provided by the private sector. But over the years the share of the private sector in the provision of healthcare has at about 80 per cent of all outpatient care and about 60 per cent of all in-patient care.

The private sector in India has a dominant presence in all the submarkets—medical education and training, medical technology and diagnostics, pharmaceutical manufacture and sale, hospital construction and ancillary services and, finally, the provisioning of medical care. Over 75 per cent of the human resources and advanced medical technology, 68 per cent of an estimated 15,097 hospitals and 37 per cent of 623,819 total beds in the country are in the private sector. Of these most are located in urban areas. The private sector's predominance in the health sector has led to inequities in access to healthcare. Hospitalisation rates among the well-off are six times higher than those among the poor.

Structure of the Healthcare Delivery Industry

On the basis of infrastructural requirements and the types of services offered hospitals can be broadly classified into the following categories:

- **Primary Healthcare (PHC)** These institutions are generally clinics with one or more general practitioners. Though these are not equipped for ICUs and surgeries they are the most important contact point for healthcare in rural India and has limited private players.

- **Nursing Homes** can have one or more doctors and at least 20 beds. There are various types of nursing homes such as ophthalmic, orthopaedic, cardiac, dental clinics, Ear Nose Throat (ENT) clinics and maternity homes.
- **Secondary Care Hospitals** are bigger hospitals with typically 100-300 beds with surgical wards and ICU facilities. They can be further classified as general hospitals and specialty hospitals. While general hospitals offer inpatient facilities along with radiology, emergency care, general surgery and a few departments such as obstetrics, paediatrics, gynaecology etc. and dedicate 10% of their beds to ICU use. On the other hand specialty care hospitals, apart from general hospital departments also offer at least one specialty care such as cardiology, neurology, dermatology etc. Moreover these hospitals dedicate 25% of their beds to ICU usage.
- **Tertiary Care Hospitals** have around 300 beds and doctors offering top of the line facilities in specific specialties. Examples include Sankara Nethralaya (Chennai), Escorts Heart Institute and Research Centre (New Delhi), National Institute of Mental Health and Neuro Sciences (NIMHANS) etc. While these are single specialty hospitals there are multi specialty tertiary hospitals as well which offer a number of specialty services under one roof. Some prominent examples are the Indraprastha Apollo Hospital, New Delhi, Manipal Hospital, Bangalore and Max Hospital, Noida etc.
- **Quaternary Care Hospitals** are tertiary care hospitals offering super specialty surgical procedures including advanced cardiac, joint replacement, neurological etc. Osmania General Hospital (Hyderabad) and Apollo Children's Hospital (Chennai) are examples.

Public Private Partnership (PPP)

Recognizing the increasing demand for better quality of healthcare, the government has devised a strategy for health development through public private partnerships. With the objective to improve the health of the population PPPs are seen in the context of viewing the medical sector as a national asset with health promotion as a goal of health providers public as well as private.

The utilization of hospital services in public and private sectors varies greatly from one state to another. The private sector has provided useful contribution in improving the healthcare provision besides the role of the public sector in of the states of Kerala and Tamil Nadu .The private sector too is keen to enter into PPP since it's the easiest route for them to enter into the market as well as to expand in lesser time. Since private players are faced with infrastructural constraints thus entering into PPP serves their purpose through leveraging public assets.

Ownership and Operating Models

There are five basic operating models for hospitals in India:

- Facilities owned and operated by the government and local bodies;
- Facilities owned and operated by charitable trusts;
- Facilities owned and operated by for-profit corporations;
- Institutions and facilities owned by charitable trusts, the government, local bodies or for-profit institutions but operated by separate for-profit institutions; and
- Collaborations between government bodies and for-profit corporations (i.e., joint ventures and public-private partnerships).

Certain privately owned hospitals have become integrated healthcare providers by expanding into a wide variety of healthcare services including pharmacy, health insurance and telemedicine. Other for-profit hospital operators have chosen to focus primarily on healthcare delivery, adding tertiary and quaternary care facilities that serve as hubs for, and admit patients from, smaller primary and secondary care facilities in local communities.

Important factors for success for a private sector healthcare services provider are location, brand equity, quality of care provided, choice of specialty and specialty level, project cost and ability to control operating costs. While the first four factors are important to attract patients and improve occupancy rates and profitability, the other two, that is, project cost and operating margins, are important to ensure the financial viability of the hospital.

The following charts show the distribution of inpatients between public and private hospitals among various states in India and the average hospital charge per inpatient day for public and private hospitals:

Major Private Players in Healthcare Sector

- Apollo Hospitals
- Max Healthcare
- Wockhardt
- Fortis Healthcare
- Manipal Group

Further large corporations such as the Reliance ADA Group and Aditya Birla Group have entered the industry to capitalize on the attractive growth that corporate hospital chains have been experiencing. The Kokilaben Dhirubhai Ambani Hospital and Medical Research Institute at Mumbai, a tertiary multispecialty hospital has been set up by the Reliance ADA Group. Lately, health cities aimed at catering to larger populations and the medical tourism industry by offering multiple specialties, alternative therapies, research and development centres, educational institutions and residential facilities; have been setup by corporate hospital groups. Dr. Naresh Trehan's Medicity, a large area catering to the medical and recuperative aspects for patients, is an example of health cities in India.

Besides competing with each other, the major private healthcare providers also compete with healthcare delivery facilities that are owned by individuals or non-profit entities supported by endowments, government agencies and charitable contributions in certain locations. These include major hospitals such as the All India Institute of Medical Services, Ganga Ram Hospital in New Delhi.

The large private healthcare providers are actively seeking growth by enhancing their reach across the country through the building of new hospitals, acquisition of existing hospitals and arrangements with small healthcare providers, widening their presence across primary, secondary and tertiary healthcare, upgrading their existing facilities and reaching out to prospective patients through initiatives such as a community outreach programs, free health check-ups and arrangements with employers to provide healthcare services to their employees.

Emerging Trends and Industry Outlook

As per data released by *Ministry of Commerce and Industry, Department of Industrial Policy and Promotion*, the drugs and pharmaceuticals sector has attracted foreign direct investment (FDI) worth US\$ 1.82 billion between April 2000 and September 2010, while hospitals and diagnostic centres have received FDI worth US\$ 955.10 million in the same period.

According to Union Budget 2010-11, the Finance Minister, Mr Pranab Mukherjee increased the plan allocation for Ministry of Health and Family Welfare from US\$ 4.2 billion in 2009-10 to US\$ 4.8 billion in 2010-11. Moreover, in order to meet revised cost of construction, in March 2010 the government allocated an additional US\$ 1.23 billion for six upcoming AIIMS-like institutes and upgradation of 13 existing Government Medical Colleges. The Union Cabinet on October 20, 2010 approved the proposal of the Ministry of Health & Family Welfare to declare National Institute of Mental Health and Neuro Sciences (NIMHANS), Bangalore as an Institute of National Importance on the lines of All India Institute of Medical Sciences, New Delhi, Post Graduate Institute of Medical Education and Research, Chandigarh and Jawaharlal Institute of Postgraduate Medical Education & Research, Puducherry.

The socio-economic and demographic changes within the country has increased the incidences of life style diseases such as diabetes, cardiovascular ailments and cancer etc. The shift in diseases profile from infectious to lifestyle related diseases on account of changes in the urban and rural lifestyle is expected to raise expenditure on treatment. Life style related diseases are typically more expensive to treat than infectious ones. Further the increasing affluence of the Indian population and increase awareness of healthcare are also likely to contribute to increase in demand for healthcare services. The rapid growth of the middle and upper classes in India, particularly the urban middle class, a segment that accounts for a substantial proportion of healthcare expenditure, will lead to higher capita expenditure on the treatment of lifestyle diseases. In addition, increase in life expectancy correlate to increase in healthcare spending.

Health Insurance

The Indian health insurance market has emerged as a new and lucrative growth avenue for both the existing players as well as the new entrants. According to a latest research report "Booming Health Insurance in India" by research firm RNCOS released in April, 2010, the health insurance market represents one of the fastest growing and second largest non-life insurance segment in the country. The Indian health insurance market has posted record growth in the last two fiscals (2008-09 and 2009-10). Moreover, as per the report, the health insurance premium is expected to grow at a CAGR of over 25 per cent for the period spanning from 2009-10 to 2013-14.

A number of private insurance companies are establishing arrangements with hospitals to provide treatment to their subscribers without upfront cash payments. Competition among insurers is likely to lead to increased marketing efforts which in turn could lead to an increase in the number of Indians with voluntary health insurance which in turn is likely to lead to higher affordability of healthcare services. In addition, employers are also increasingly subsidizing their employees' health costs through direct arrangements with medical providers. Although the insurance companies and employers will negotiate for lower rates to be charged by healthcare providers, the potential increase in the penetration rate of medical insurance and employer plans could result in higher demand for premium healthcare services in the country.

Medical Tourism

The Indian medical tourism industry is presently at a nascent stage, but has an enormous potential for future growth and development on the back of low cost range of treatments provided by the country. The growth in India's medical tourism market will be a boon for several associated industries, including hospital industry, medical equipments industry and pharmaceutical industry.

According to a new report published titled "Booming Medical Tourism in India" India's share in the global medical tourism industry will reach around 3 per cent by the end of 2013. The report states that medical tourism is expected to generate revenue around US\$ 3 billion by 2013, growing at a CAGR of around 26 per cent during 2011–2013. The number of medical tourists is anticipated to grow at a CAGR of over 19 per cent during the forecast period to reach 1.3 million by 2013.

Domestic medical tourism in the country has also seen growth in the recent years. As per the report 'Domestic Tourism in India, 2008-09' released by the National Sample Survey Office (NSSO), trips for 'health and medical' purposes formed 7 per cent of overnight trips in the rural population and about 3.5 per cent in the urban population. 'Health and medical' purposes accounted for 17 per cent of same-day trips in rural India and 8 per cent in urban India. Expenditure on medical trips accounted for 30 per cent of all overnight trip expenditure for rural India and 15 per cent for urban.

OUR BUSINESS

Overview

We are engaged in running a multi specialty hospital at Noida under the brand Ojjus Medicare, with a super specialty focus on core areas such as Neurology and Neuro surgery, Cardiology and Cardiac surgery and Orthopaedics with emphasis on Joint Replacements and Sports Injuries. We also provide healthcare services in area of Minimally Invasive surgeries, Mother & Child Care, Paediatrics, Diagnostic, Critical Care Medicine, Oncology, Gynaecology & Obstetrics, Nephrology, Dermatology, Gastroenterology, Dental and Eye care, etc.

We are committed to delivering quality healthcare services to our patients in modern facilities using advanced technology with a team of qualified and experienced healthcare professionals. Our hospital is a state-of-art multi-specialty hospital providing a depth of expertise in complete spectrum of advanced medical and surgical interventions with a comprehensive mix of in-patient and out-patient services. We provide all facility under one roof like – 24 Hour Emergency, Out Patient Department, Complete Diagnostics, Modular OTs, Cathlab, Perfexion Gamma Knife, Dialysis Centre, Cardiac Ambulances for patient transportation, 24 Hour Pharmacy, Cashless facility for Insured patients, Specialized clinics, Preventive Health Checks etc. Our hospital has 220 beds, Surgical ICU and Medical ICU, four state-of-the-art Operation Theatres and state-of-the-art Imaging facility with automatic laboratory support. A special feature of our hospital is the availability of state-of-the-art equipments and trained medical personnel required for managing critically ill patients.

We have installed “Perfexion” Gamma Knife Machine for non invasive treatment of brain tumors, vascular malformations and functional diseases like parkinson’s disease, trigeminal neuralgia and psychiatric disorders using highly précised focused gamma rays. We are amongst few private centres in South and South East Asia to install Prefexion Gamma Knife. Leksell Perfexion Gamma Knife machine is the 5th generation machine, which uses robotic technology to deliver precise radiation to intracranial and cervical spine lesions and to treat functional disorders.

We were established in 2000 in Noida to provide treatment for regular ailments at a lower scale of operations. In December 2007, our management was taken over by Ojjus Medicare Private Limited, the present promoter and our operations were reorganized to create a multi specialty hospital. Our hospital is on the panel of various government and large organizations for treatment of their employees.

In order to expand reach of our super specialty services and network, we are proposing to set up polyclinics in tier II cities within a radius of 150 km of Noida. These polyclinics are proposed to provide comprehensive general healthcare services to patients in their cities and refer patients for advance care and critical treatment to our hospital. Further we also propose to set up a Diagnostic Centre at Faridabad. For details of our proposed projects, please refer to the section titled “Objects to the Issue” on page 25 of this Draft Red Herring Prospectus.

For the eight month period ended November 30, 2010 we performed over 106 neuro and spine surgeries, 189 cardiac, orthopedic & general surgeries and 54 interventional cardiac/neuro procedures.as against 86 neuro and spine surgeries, 221 cardiac, orthopedic & general surgies and 41 interventional cardiac/neuro procedures in the year ended 2009-10. Further for the eight months period ended November 30, 2010, the average occupancy rate for our hospital was approximately 60% as against 55% in the year 2009-10. Our total income and restated net profit for the eight month period ended November 30, 2010 was Rs 2,981.64 lakhs and Rs 828.05 lakhs, respectively as against Rs 2,291.00 lakhs and Rs 274.98 lakhs, respectively in the fiscal year ended March 31, 2010.

Speciality Services by our Hospital

Our hospital is located in Sector 40 at Noida on a plot of land owned by us and measuring 1,999 square meters with constructed area of approximately 50,000 sq ft. The area is fully developed and well connected with surface transport and is near metro station. The hospital building consists of five floors and basement housing various facilities for rendering health care services to the indoor and outdoor patients. The hospital

is managed by a team of medical professionals under the supervision of Mrs. Namrata Chawla, our Managing Director. We also engage prominent medical specialist as consultants to provide their services.

The following are brief descriptions of some of the specialty procedures performed at our hospital:

Neurology and Neuro Surgeries

We at our neurology department treat disorders of the brain, spinal cord, nerves and muscles. We have state-of-the-art equipments, neuroradiology including MRI 1.5 Tesla (Magnetic Resonance Imaging), CT Multislice (64Slice) (Computed Tomography), DSA (Digital Subtraction Angiography) and Interventional Neuroradiology and as well as Perfexion Gamma Knife. We also have a complete range of spinal instrumentation for stabilizing the spine using metal implants. These are used in case of spinal instability from spinal injuries and tumors. Our Critical Care Units are equipped to deal rapidly with any neurological emergency round the clock.

At our hospital we deploy the modern technology and equipment to cover the entire range of neurological diseases. Major Neurosurgical operations are being carried out by us regularly. Major procedures include excision of large spinal tumors and brain tumors, correction of blood vessel supply network system anomalies, decompression and reconstruction brain surgeries, carotid stenting for improving the blood supply to the brain and other minimally invasive surgeries of the brain (including removal of brain tumors through nasal cavity) and spinal cord.

Gamma Knife Radiosurgery is a non-invasive treatment for treating brain diseases. It is surgery without opening of the skull and uses gamma rays to destroy lesions in the brain. The gamma rays are precisely aimed in such a way that maximum concentration of radiation is directed at the diseased part of the brain while surrounding tissues remains unharmed. Gamma Knife radio surgery is the most recent and the only single fraction non invasive neurosurgical treatment for trigeminal neuralgia. Of all the surgical procedures, it is least likely to cause complications and surgery related risks. The major conditions being treated by Gamma Knife at our centre are:

- Trigeminal Neuralgia
- Arteriovenous Malformations (AVM's)
- Essential Tremors
- Benign Tumors
- Malignant Tumors
- Parkinson's disease
- Other functional disorders

Gamma Knife Perfexion machine uses cobalt 60 isotopes which emits Gamma rays. The 192 cobalt sources are arranged in a special design inside machine with robotics in such a way that all beams are focused at a point. Using MRI guidance and advance workstation, we position the patient in such a way, that some part of tumor comes at the focus of beam and gets high energy radiation. These Gamma radiation beams damage the DNA in the tumor cell, which is required for cell reproduction or chromosome replication and thereby the tumor growth or vascular malformation proliferation. Once the DNA is damaged, the process of cell reproduction fails and leads to the death of cell of the tumor by a process called apoptosis, however the tumor does not disappear immediately but first stops growing and then slowly reduces in size over a period of few months.

Cardiac Care

We offer comprehensive cardiac care services to our patients at our hospital. In non-invasive cardiology we provide services of Echoes, TMT, PFT (Pulmonary Function Test) on a regular basis. Open heart surgery includes any surgery where the chest is opened and surgery is performed on the heart, including on the heart muscle, valves, arteries and other cardiac structures. Coronary artery bypass graft ("CABG") surgery, which is open heart surgery, involves using a healthy blood vessel from one part of the body to construct a detour around the blocked coronary artery. The selection of kind of surgery is the expertise and decision of the Surgeon and his team.

Coronary Angiography: In a coronary angiography (“CAG”) procedure, a thin plastic tube (a catheter) is guided through an artery in the arm or leg to the coronary arteries. A liquid dye is injected through the catheter, and is visible in X-rays that record the course of the dye as it flows through the arteries. This identifies the blocked areas in the coronary arteries and aids decisions about the best course of action. The procedure is conducted in a cardiac catheterization laboratory rather than an operating theater.

Coronary Angioplasty: Percutaneous Transluminal Coronary Angioplasty (“PTCA”) involves guiding a catheter with a small balloon on its tip to the blocked areas of arteries through another catheter and then inflating the balloon, which compresses the plaque build-up, widening the artery for blood flow.

There are various other procedures like valvoplasty, pace maker implant and more to treat various cardiac disorders.

Orthopaedics & Joint Replacement Centre

Our hospital provides following services

- Joint Replacement & Arthroscopy
- Knee & Hip Clinic
- Sports Medicine
- Shoulder & Hand
- Pediatric Orthopedic
- Orthopedic Trauma

Knee replacement surgery replaces the cartilage on the ends of the bones of the knee. Implants include a metal alloy on the bottom of the thighbone and polyethylene on the top of the tibia and underneath the kneecap. This is designed to create a new, smoothly functioning joint that prevents painful bone-on-bone contact. Hip replacement surgery removes the arthritic ball of the upper femur (thigh bone) as well as the damaged cartilage from the hip socket, and replaces it with a metal or ceramic ball that is solidly fixed to a stem inserted into the femur. The socket is replaced with a metal cup, which is fixed to the acetabulum, or socket. Similar surgeries are also performed for the Hip which is replaced owing to age related wear and tear and also at times due to accidental injuries. The joint replacement surgeries are a great boon to the old age people and patients who have become immobile due to injury. The surgeries are performed using both Minimal Incision and otherwise depending upon the patient, the implant & also affordability of the patient.

Nephrology

Our department of nephrology is a professionally managed unit, equipped with a team of skilled and dedicated doctors and paramedical staff. It is equipped with the latest computerized dialysis machines, reverse osmosis water plant to provide pure and trace element free water supply. Our Nephrology team also provides round the clock service for the critically ill in the intensive care units. We perform hemodialysis, where the human body is cleaned through the blood. Other procedures include insertion of catheters into blood vessels in and around the kidney, kidney biopsies and permanent urinary catheter insertion and removal.

Minimally Invasive Surgery/Micro-Surgical Techniques

Surgeries performed using minimally invasive techniques are characterized by faster recoveries for patients, minimal blood loss, fewer post-surgical complications and minimal surgical trauma and risk of infection. The patient's hospital stay and recovery time is typically significantly shorter than a conventional surgery for the same condition. The use of minimally invasive surgical techniques frees up hospital beds for other patients and reduces the average length of stay at our hospital. Minimally invasive surgeries require advanced facilities, high technology equipment and a high level of surgical skills.

Mother and Child Care

We have an exclusive mother and child care department. Gynecology procedures include hysterectomy, which is surgical removal of the uterus, abdominal cervicopexy, which corrects prolapse of the uterus and ovarian cystectomy, which corrects cyst formation in the ovaries. Obstetrics procedures include antenatal

care, normal deliveries, Caesarian section deliveries, painless labor and management of high-risk pregnancies. Neonatology procedures and services include incubation of newborn premature babies, phototherapy for newborns suffering from jaundice and intensive care for critically ill newborns.

Critical Care

Critical care at our hospital exists to provide acute care for those patients who are generally unstable, critically ill and those in urgent need of advanced monitoring and intensive treatments of an Intensive Care Units (ICU). These tasks are carried out with precision, synchronization and coordination of a multidisciplinary team in ICU. Our Critical care team provides a full spectrum of Medical, Cardiac, Surgery and trauma critical care services to the sickest of the patients. The Intensivists are highly skilled and specialized in diverse specialties of Medicine and Anesthesia. The nursing care is focused to meet the clinical, psychological, physical and emotional needs of the patient. The ICU's unique design enables the nursing and Physician staff to have a full view of virtually all patients at all times. The Critical Care facility has the latest and most modern monitoring and life support equipments supplied by the renowned names in the industry. Equal or higher ratio of Nurse is to Patient offers constant monitoring and personalized care.

Diagnostics

The Diagnostics department is fully complete with High End Imaging facilities for Computerised Tomography (CT-64 Slice), Magnetic Resonance Imaging (MRI – 1.5 Tesla) and Mixed Lab to carry out Interventions for cardiac, Neuro and others. All routine X-rays and ultrasound investigations are carried out and digital imaging is available for quick and precise reporting. The Pathology lab offers Blood, Urine, Stool etc testing carried out on Fully and Semi Automatic calibrated machines and rechecked by highly dedicated and qualified pathologists to rule out errors in reporting.

Emergency and Trauma Centre

Our hospital has state-of-the art accident and emergency unit with facilities of International Standards. Accident and emergency wing is open 24 hours, 365 days a year. This department has facilities for providing ambulances which are well equipped with advanced life support systems like high end transport monitors and ventilators to transport critically ill or injured patients to the centre. The treatment of acutely ill or injured patients is done by trained doctors and emergency nurse practitioners. All ambulances have mobile phone communication system with the Emergency Department of the hospital and the details of patient's condition are passed on the qualified team waiting in Emergency. We also provide basic life support training to nurses and paramedical staff and advance life support and advance training in trauma management to Doctors and ambulance staff.

Preventive Healthcare

Growing health consciousness among middle and high-income families in India is heralding a new business opportunity – preventive healthcare. The addressable population for preventive healthcare check-ups in India is increasing day by day. We provide preventive healthcare services at reasonable cost in order to build long term relationship as patients who come for health checkups generally come back to the same hospital if they require any treatment.

Our Competitive Strengths

We believe our competitive strengths are in providing complete Neuro and Cardiac care under one roof backed up by the most advanced in house Diagnostic centre. The critical care facility comprising of state of the art life support equipment with highly experienced medical and non medical team is a strong support and confidence to the treating Consultants and to the patient and their attendants. Such set up enables us to treat patients of any critical illness related to the brain and heart in the best possible manner and pull out most of the critically ill patients.

- **Experienced Team of Skilled doctors**

As of November 30, 2010, we had a team of 27 full time doctors complemented by 84 nurses and 27 other medical personnel. We adhere to international clinical protocols in patient handling, operating theaters, intensive care unit management and emergency care set by leading international hospitals and accreditation bodies. In addition we also engage prominent specialist in various field of medical sciences as consultants who provide their services regularly and are also in demand amongst patients. In addition, medical

professionals at our rolls and / or engaged by us as consultants are dedicated to clinical research and have published studies on topics including neurology and neuro-surgery cardiology, cardiac surgery etc. Some of our doctors also have a history of pioneering innovative techniques for patient treatment, such as prefexion gamma knife machine treatment and minimally invasive cardiac and orthopedic surgeries. Most of the doctors engaged by us have received advanced training at leading hospitals in India and overseas.

- **Quality patient care**

Our hospital has been designed to ensure that we are able to offer quality care to our patients. The layouts at our facilities minimize inpatient movement, with outpatient facilities located within the hospital. Other characteristics of many of our facilities, such as attractive architectural and design features, the use of special lighting and color and the reduction of “hospital odors”, also enhance the patient experience. Our hospital staff is trained to care for patients with techniques utilized in the hospitality industry, which, together with the design of our facilities, helps relieve patient anxiety and provide a more comfortable experience for patients. In addition, we focus on obtaining current technologies for providing healthcare services.

We are in the process of NABL and NABH Certification. The manual containing the policies, process details, quality system details, etc. has been submitted to the quality council for observations of respective authorities.

- **Specialty focus**

We focus on neurology along with other clinical areas such as cardiology and cardiac surgery, orthopedics, urology and nephrology and critical care. We have installed “Perfexion” Gamma Knife Machine for the treatments of brain tumor. We are amongst the few hospitals in South and South East Asia to have this facility. We are investing significantly in the technology, equipment and infrastructure required to perform the most advanced procedures and to strengthen our specialty focus.

Our Growth Strategies

- **Strengthen position in NCR cities and establish presence in selected Tier II cities**

We intend to grow by setting up specialty hospitals in NCR cities and by establishing polyclinics in selected tier II cities. We through our wholly owned subsidiary Ojjus Fidelity Healthcare Private Limited are setting up a 700 bed specialty hospital at Faridabad. Further we have expanded our current operations by increasing bed capacity to 220 at our existing hospital. Our business development team is constantly evaluating potential opportunities in both our existing and new regions. Our evaluation criteria for new opportunities include the demographics and revenue potential of the local population, the competitive landscape, location and cost and for existing facilities, the skill, specialty and reputation of doctors and other medical and non-medical staff, the work culture of the institution and the quality of the infrastructure.

- **Focus on high-value end of the healthcare services market**

Due to our focus on tertiary care in areas such as neurology and neuro surgery, cardiology and cardiac surgery, orthopedics and with our super-specialty hospital, skilled doctors and high-end equipment, we believe we are well-positioned to serve the increasing demand for sophisticated clinical care in the Indian healthcare market. During the eight month period ended November 30, 2010 we performed over 106 neuro and spine surgeries, 189 cardiac, orthopedic and general surgeries and 54 interventional cardiac/neuro procedures. In addition, we believe that by further developing our expertise in these high-growth tertiary care areas, we will be able to meet the demand for even more sophisticated procedures. We are concentrating on our surgical admissions and continually developing our expertise especially in high-yielding procedures such as complex trauma work and brain and spine surgeries, cardiac surgery, orthopedic procedures.

- **Improve profitability and increase occupancy rates**

We intend to improve profitability by increasing average income per bed and decreasing average length of stay. We plan to focus on our case mix and increase the ratio of surgical to medical procedures and also improve our utilization rates in order to increase average income per bed. In addition, we intend to expand our practice with minimally invasive surgical techniques, which eliminate the need to make large incisions into the human body, thereby reducing surgical trauma, pain and blood loss. We have been using minimally

invasive surgical techniques in most of our specialties (approximately 35 % to 40 % of our operations) and we intend to expand its use to a wider range of procedures. Patient recovery time is shorter in minimally invasive surgeries, freeing up beds for other patients and reducing the average length of stay at our hospitals. For the eight months period ended November 30, 2010, the average length of stay at our hospitals was 3-4 days.

- **Increase outpatient income by focusing on our ongoing day care products and introducing new day care surgeries and other outpatient offerings**

Over the years, we have established a diverse portfolio of outpatient offerings, including health check up programs, various forms of laboratory testing, diagnostics (e.g., high end imaging work), and physiotherapy and rehabilitation. Such offerings lead to an increase in outpatient admissions (both referrals and walk-in patients) at our hospital. We have also recognized the opportunities in day care surgeries. Due to technological developments, certain surgeries, which previously required patients to stay at a hospital for a number of days, can now be carried out as day care surgeries. In such day care surgeries, the patient gets admitted to the hospital in the morning, undergoes the surgery and gets discharged in the evening. Such surgeries reduce the average length of stay for patients and free up beds for tertiary care cases. Going forward, we intend to focus on such procedures at our hospital and we expect this initiative to be a significant contributor to our outpatient income. Due to lifestyle changes and increased awareness for healthcare in India, we also intend to focus on preventative measures for lifestyle diseases and rehabilitative care at our hospital in Noida.

- **Grow international patient base, particularly in developed countries**

Especially over a decade, India has become a preferred destination for international patients who seek access to healthcare services at international standards with substantial cost savings. We aim to capitalize on this opportunity and grow our brand and reputation globally. We are focused on providing patients from developed countries with tertiary care services such as neuro and spine surgery. Medical tourism market in India is growing substantially. We believe our association with various medical tourism companies and Individual Agents help us to attract international patients. We have established an interactive website and a patient services centre that can quickly respond to queries from international patients. We intend to increase our marketing efforts to attract more international patients

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

The skill level of a hospital's doctors is key to its success. We believe that hiring surgeons and other physicians who have established reputations for clinical excellence in their communities is the key to the successful implementation of our strategy to acquire, develop and operate hospitals. As at November, 30, 2010, 70 % of the doctors at our hospital had advanced medical degrees. We shall continue to engage prominent specialist as consultant to provide their expertise to our patients. We employ a "staff" model at our hospital under which most of our doctors, including all of the doctors practicing within core specialty areas at our hospital are compensated on a salary plus incentives or retainer basis and practice exclusively at hospital. We believe that the guaranteed income, the predictable working hours and in the case of senior doctors, the autonomy of heading a department, which characterize the "staff model", will continue to help us attract and retain skilled doctors at our hospitals.

Our Hospital

The following table sets forth certain key operating details of Goodwill Hospital and Research Centre for the eight months period ended November 30, 2010 and fiscal year ended March 31, 2010

Particulars	Eight months period ended November 30, 2010	Fiscal year ended March 31, 2010
Number of Beds	220	140
Average Inpatient Admissions per day	21	16
Outpatient Registrations (nos)	42,500	57,000
Average Occupancy Rate (%)	60	55
Average Length of Stay (days)	3-4	4
Average Income per Bed in use per day (Rs. lakhs)	0.075	0.07

Particulars	Eight months period ended November 30, 2010	Fiscal year ended March 31, 2010
Number of Major Procedures:		
- Neuro and spine surgeries	106	86
- Cardiac, orthopedic & general surgeries	189	221
- interventional cardiac/neuro procedures	54	41

Break up of Operating Income:

(Rs in lakhs)

Particulars	Eight months period ended November 30, 2010	Fiscal year ended March 31, 2010
Operation Theatre Charges	582.40	416.50
Pharmacy sale	83.12	90.15
Room Rents	447.26	337.26
Consultancy Receipts	445.40	340.42
Lab receipts	488.20	347.67
Other Receipts including Gamma Knife procedures	933.67	757.67
Total Sales	2,980.05	2,289.67

Payment for Services

Payment for services consists primarily of payment for inpatient and outpatient services. Although the Indian economy is one of the fastest-growing economies in the world measured by percentage growth in gross domestic product, with an increasing number of high and middle-income households, there is still relatively low penetration by the insurance industry in the healthcare sector. We have arrangements with a number of employers including KRIBHICO (Krishak Bharati Cooperative Limited), DTC (Delhi Transport Corporation), Noida Authority, ECHS (Ex Servicemen Contributory Health Scheme) etc. We believe that the strategic relationships help increase our occupancy rates and provide a source of patients. Further we are also empanelled with TPAs (Third Party Administrators) working for public sector and private sector insurance companies and get payment from them for treating the patients under cashless facilities. Some of the TPAs from whom we are getting payments under cashless facilities are Paramount Health Services, Medi Assist, Vipul MedCorp, Raksha, Genins India, MDIndia Healthcare Services, Alankit Healthcare, Park Mediclaim etc.

Supplies and Sourcing

Most of the advanced medical equipments are imported from original equipment manufacturers with international reputations or reputed Indian Manufacturers such as Wipro GE, Philips, Drager, Fuji, Siemens etc. We generally obtain one to three year warranty for this equipment. We aim to replace our more sophisticated medical equipment in our hospitals every four to five years. Regular consumables, operating instruments and furniture are purchased locally. As an upcoming large hospital, we believe we are able to negotiate favorable terms with these suppliers and third-party service providers.

Competition

We compete with other hospitals and healthcare services providers for, among other things, patients, doctors, nurses and strategic expansion opportunities. We primarily compete with other for-profit hospitals present in National Capital Region, such as those forming part of the nationwide Apollo chain of hospitals, Fortis Healthcare, Max Healthcare and local hospitals like Vimhans and Kailsah Hospital etc. though we believe that in neurology and neuro surgery we have prime position in NCR region as we have installed the Perfexion Gamma Knife machine. We also compete with hospitals that are owned by government agencies or non-profit entities supported by endowments and charitable contributions.

Intellectual Property

Our intellectual property consists mainly of our rights to use "Ojjus Medicare" name and logo. One of our Directors, Mr. Harvansh Chawla has filed applications for registration of aforesaid name and logo in his

name. Our Company has been licensed by Mr. Harvansh Chawla to use the trademark “Ojjus Medicare” in connection with our healthcare business.

Information Technology

Our IT infrastructure system allows us to maintain electronic patient records and imaging that can be quickly transmitted throughout hospital for quick diagnoses and treatment and also assists us with monitoring and coordinating procurement, stocking, billing, housekeeping, staffing and patient treatments. The system simplifies scheduling and billing for our patients and doctors, improves our inventory management and results in efficiencies across our operations. Our integrated hospital information system was set up in 2010 in cooperation with Protech Systems.

Technology

We have consistently invested in medical technology and equipment so as to offer a high quality of healthcare services to our patients. Sophisticated medical equipment at our facility is used to ensure that we are able to provide advanced healthcare procedures to our patients.

Some of the key equipment used at our hospital is listed below:

- **Neuro-sciences:** Perfexion Gamma Knife, operating microscope, operating tables, OT Lights and C-Arms, 3D cathlab with large display for neurological interventions like DSA, coiling
- **Radiology and Imaging:** 64 Slice high end CT (Computed Tomography) scanners, magnetic resonance imaging (MRI) equipment, Digital X-ray machines
- **Cardiac Care:** 3D Cathlab for interventional procedures, Intra aortic balloon pump, pulmonary function test machines, Echo/4 D Color doppler, stress test machines, Holter system, heart lung machine for cardiac surgery back up.
- **Orthopedics:** Instrumentation and operation tables and Physiotherapy set up for rehabilitation
- **Pathology Laboratory** Fully automated meters, analysers, ABG, ovens, centrifugals
- **Diabetology:** foot pressure measurement systems, body analyzer systems and blood glucose analysis systems
- **Mother and Child Care:** equipment for labor, delivery and recovery in beds
- **Critical Care:** dialysis machines,, modular patient monitors, ventilators Invasive and non-invasive, defibrillators, DVT pumps, Patient warming system for cardiac surgery patients, Alpha beds, syringe and infusion pumps supported by a facility for central monitoring and control
- **Emergency** Advanced life support ambulances with emergency equipment such as transport monitors, ventilators and defibrillators

Community Projects

We are committed to being active in the area in which we operate and have initiated several regular outreach programs. We organize free Health checks camps to nearby semi urban areas and create awareness by conducting small programs in the Resident Welfare Associations. We have also conducted various camps for the School Children, Police force, Journalists and Old age people of our area.

Governance and Ethics

The operational and procedural protocols we have implemented at our hospital were designed taking into account international standards and the particular needs of our local communities. The department heads at hospital are responsible for ensuring compliance with these protocols across their departments. In addition, although our facilities is run by a profit center head (which can either be a non-practising doctor or a manager with an administrative background), the clinical department heads have autonomy to make all medical decisions in their fields, which we believe further improves our governance.

Insurance

Our operations are subject to risk inherent in the hospital such as work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment and environmental damage. We maintain insurance for a variety of risk through “Standard Fire and Special Perils Policy” and “Burglary Policy” which covers insurance of building including stocks, machinery and equipments used in our hospital.

Personnel

We believe that our success depends significantly on our ability to attract, develop and retain highly-skilled doctors, nurses and other personnel at our hospitals. We believe that our relationship with our employees and other personnel is good and we have not experienced any work stoppages as a result of labor disagreements at any of our facilities since we began operations. We offer competitive compensation to our employees and a comprehensive package of other benefits. We believe that in order to maintain the quality of care we offer to our patients, our doctors and other medical staff must pursue a rigorous program of continuing education. We offer a wide range of health education sessions and seminars on-site at our hospital to our medical staff.

The table below summarizes the number of personnel of our hospital as at November 30, 2010.

Personnel	Number of Employees
Doctors	27
Nurses	84
Technical Staff	27
Non-Technical Staff	73
Others	41
Total	252

The majority of the important doctors in Cardiology, neurosciences, Critical Care and Emergency on staff are compensated on a salary or retainer basis. In addition to a fixed salary, doctors who are not our employees have a revenue sharing or a referral system. The variable component is based on a formula that we believe provides incentives to doctors to maximize the quality of care they deliver to our patients. We also engage prominent specialists in various fields as consultants.

Further a number of people who work at our hospital, such as housekeeping attendants, groundskeepers and security personnel, are employees of third-party outsourcing firms for whom we provide training. Although we are not directly involved in the hiring of such individuals, our outsourcing partners are required to comply with hiring criteria we specify to them. We pay a set fee to our outsourcing partners who are responsible for compensating their employees and paying their other expenses, including insurance.

Retention

For the eight months ended November 30, 2010, our doctor retention rate at our owned hospitals was approximately 85%, with the attrition concentrated at the resident and senior resident levels. We believe we have been able to control attrition rates by developing and implementing programs, policies and practices like diversified training and career planning for executives, recognition in various forms and mentoring programs. In addition, although our attrition rate for nurses for the eight months ended November 30, 2010, was approximately 25% - 30% and is much higher than that for our doctors primarily due to nurses leaving to pursue more lucrative overseas or government positions, we have not experienced a shortage of nurses. We believe the worldwide nursing shortage is not as acute in India and that even in the face of a nursing shortage, we are well-positioned in the market to retain our nurses due to our strong reputation and competitive compensation packages.

Properties

The following table sets forth the significant properties owned by us as of November 30, 2010:

Address of Property	Name of the seller	Date of Deed	Consideration (Rs. in lakhs)	Nature of Property Rights	Use of property	Status
141 A, Block D, Sector - 40, Noida, Distt. Gautam Budh Nagar, UP	New Okhla Industrial Development Authority	Lease Deed dated March 28, 2001 Valid for 90 years	65.84	Commercial	Hospital	Equitable mortgage with Bank of India

Address of Property	Name of the seller	Date of Deed	Consideration (Rs. in lakhs)	Nature of Property Rights	Use of property	Status
141 B, Block D, Sector - 40, Noida, Distt Gautam Budh Nagar, UP	Sudarshan Healthcare Private Limited	Sale agreement dated January 16, 2001 and transfer deed dated July 11, 2001	74.21	Commercial	Hospital	Equitable mortgage with Bank of India

In addition to above properties, as on November 30, 2010 we have taken three residential properties in Noida on lease which are used as residence / hostels for our staff and nurses. Our registered office is situated at 705, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110 001, licensed to us by one of our directors, Mr. Harvansh Chawla. For details of the agreement executed between our Company and Mr. Harvansh Chawla for use of the premises, please refer to section titled “History and Certain Corporate Matters” on page 61 of this Draft Red Herring Prospectus.

KEY INDUSTRY REGULATIONS

The Atomic Energy Act, 1962 (“AEA”)

In order to ensure safe disposal of radioactive wastes and secure public safety and safety of persons handling radioactive substances, the AEA mandates that no minerals, concentrates and other materials which contain prescribed substances be disposed of without the previous permission in writing of the Central Government. AEA provides that the Central Government may require a person to make periodical and other returns or such statements accompanied by plans, drawings and other documents as regards any prescribed substance in the AEA that can be a source of atomic energy and further states that the Central Government may prohibit among other things the acquisition, production, possession, use, disposal, export or import of any prescribed equipment, or substance, excepting under a license granted by it to that effect.

Atomic Energy (Radiation Protection) Rules, 2004

These rules have been framed by the Central Government in correspondence to Section 30 read with Section 3 and clause (i) and sub-clauses (c) and (d) of clause (ii) of Sub-Section (1), Sub-Section (4) of Section 14, and Sections 16, 17 and other relevant Sections of the Atomic Energy Act (33 of 1962). These Rules apply to practices adopted and interventions applied with respect to radiation sources. These rules prescribe guidelines such as license for carrying out activities relating to radiation, specifies procedure for obtaining a license, fees for license, exemption and exclusions from obtaining license, conditions precedent the issuance of a license, issuance of license, its validity period along with suspension, modification or withdrawal. Amongst other things the rules talk about all other aspects of radiation related activities such as provisions relating to modification of radiation installation, restriction on certain practices, radiation symbol, regulatory constraints, Safety Standards and codes, employment rules, responsibilities of an employee, licensee, safety officer and the workers as well. It also prescribes requirements for Radiation surveillance, health surveillance, inspection provisions etc.

Radiation Surveillance Procedures for Medical Applications Of Radiation GSR – 388, 1989

The Radiation Surveillance Procedures for Medical Applications of Radiation have been enacted in pursuance of rule 15 of the Radiation Protection Rules, 1971. These prescribed procedures outline the objective of a radiation surveillance program, Licence for handling of radiation equipment, safety requirements for the construction of radiation equipments, Planning and Commissioning of radiation installations. It also prescribes working conditions in a medical radiation installation, Disposal procedures for radioactive effluents, Protection and Medical Surveillance requirements, requirements for maintenance of record along with other codes and guides.

Radiation Protection Rules, 1971 (“RPR”)

The RPR provides that all persons handling radioactive material need to obtain a license from a competent authority. It stipulates that no person is to use any radioactive material for any purpose, in any location and in any quantity, other than in a manner otherwise specified in the license and that every employer must designate a “Radiological Safety Officer” and maintain records with respect to every such radiation worker in the manner prescribed under the RPR.

Radiation Surveillance Protection Rules 1971 (“RSPR”)

The RSPR provides that every employer required to handle radiation equipment or radioactive material must obtain the prior permission of the competent authority. The RSPR mandates an employer to appoint a “Radiological Safety Officer” with the approval of the competent authority for the implementation of the radiation protection program including all in-house radiation surveillance measures and procedures and to discharge the functions as specified under it. Further, the employer is also required to obtain prior permission from the competent authority for undertaking any decommissioning operation.

Code No. AERB/SC/MED-2 (REV-1) Dated October 5, 2001 (“CODE”)

The Code stipulates that all medical X-ray machines are required to be operated in accordance with the requirements outlined therein and that it is the responsibility of the owner/user of medical X-ray installation equipment to ensure compliance with the statutory provisions. The Code mandates that only those medical X-ray machines which are of the type approved by Atomic Energy Regulatory Board (“AERB”) be to be

installed for use. It further provides among other things, that the owners of medical X-ray installations in India be registered with AERB, and further to carry out quality assurance performance test of the X-ray unit and to employ qualified staff. Non-compliance with the regulatory requirements set forth in the Code could result in closure of the defaulting X-ray installations.

Pharmacy Act, 1948

The Act provides that all pharmacists require a registration under the Act, which registration process includes providing: (a) the full name and residential address of the pharmacist; (b) the date of his first admission to the register; (c) his qualifications for registration; (d) his professional address, and if he is employed by any person, the name of such person; and (e) such further particulars as may be prescribed.

Drugs and Cosmetics Act, 1940 (“DCA”)

In order to maintain high standards of medical treatment, the DCA regulates the import, manufacture, distribution and sale of drugs for the proper protection of drugs and medicines and prohibits the manufacture and sale of certain drugs and cosmetics which are misbranded, adulterated, spurious or harmful. The DCA specifies the requirement of a license for the manufacture, sale or distribution of any drug or cosmetic. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities.

Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994

The PDT regulates the use of pre-natal diagnostic techniques for the purposes of detecting genetic or metabolic disorders or chromosomal abnormalities or certain congenital malformations or sex-linked disorders and for the prevention of the misuse of such techniques for the purposes of pre-natal sex determination leading to female feticide, and, for matters connected therewith or incidental thereto. The PDT makes it mandatory for all genetic counseling centers, genetic clinics, laboratories and all bodies utilizing ultrasound machines to register with their respective appropriate authorities failing which penal actions could be taken against them.

Medical Termination of Pregnancy Acts, 1971

The MTP regulates the termination of pregnancies by registered medical practitioners and permits termination of pregnancy only on specific grounds and for matters connected therewith. It stipulates that abortion can be carried out only in certain stipulated circumstances by a registered medical practitioner who has the necessary qualification, training and experience in performing medical termination of pregnancy and only at a place which has facilities that meet the standards specified in the rules and regulations issued under the MTP. Under the MTP, private hospitals and clinics need government approval and authorization (certification) to provide medical termination of pregnancy services. Under the rules framed pursuant to the MTP, private clinics can receive their certification only if the government is satisfied that termination of pregnancies will be done under safe and hygienic conditions, and the clinic has the requisite infrastructure and instruments in place.

Notwithstanding anything contained in the Indian Penal Code, a registered medical practitioner shall not be guilty of any offence under that Code or under any other law for the time being in force, if any pregnancy is terminated by him in accordance with the provisions of this Act

Bio-Medical Waste (Management and Handling) Rules, 1998 (“BMW RULES”)

The BMW Rules apply to all persons who generate, transport, treat, dispose or handle bio-medical waste in any form and regulate the mode of treatment and disposal of bio-medical waste. The BMW Rules mandate every occupier of an institution generating, collecting, transporting, treating, disposing and/or handling bio-medical waste to take steps to ensure that such waste is handled without any adverse effect to human health and environment and to apply to the prescribed authority for grant of authorization. The BMW Rules further require such person to submit an annual report to the prescribed authority and also to maintain records related to the generation, collection, storage, transportation, treatment, disposal, and/or any form of handling of bio-medical waste in accordance With rules and guidelines issued.

The Environmental Protection Act, 1986

The Environmental Protection Act, 1986 is an “umbrella” legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with “environment” defined to include water, air and land and the inter-relationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

The Air (Prevention & Control of Pollution) Act, 1981

According to Section 21 of the of the Air (Prevention & Control of Pollution) Act, 1981, no person shall, without the previous consent of the State Pollution Control Board, establish or operate any industrial plant in an air pollution control area. Further as per the provisions of Section 22 of the said act, no person operating any industrial plant, in any air pollution control area shall discharge or cause or permit to be discharged the emission of any air pollution in excess of the standards laid down by the State Board under Clause 17(1)(g).

The Water (Prevention & Control of Pollution) Act, 1974

According to Section 25(1) of the Water (Prevention & Control of Pollution) Act, 1974, no person shall without the previous consent of the State Pollution Control Board, establish or take any steps to establish any industry, operation or process or any treatment and disposal system for any extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream or well or sewer or on land (“discharge of sewage”) or bring into use any new or altered outlet for the discharge of sewage or begin to make any new discharge of sewage. Under Section 25(4), the State Pollution Control Board may grant its consent subject to certain conditions relating to the point, nature, composition, temperature, volume, rate, etc. of discharge of sewage, or refuse and for a specified period.

The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008

The Hazardous Waste (Management, Handling and Transboundary movement) Rules, 2008 applies to handling of hazardous waste as specified in the Schedules. These rules supersede Hazardous Waste (Management and Handling) Rules 2003. The Rules specifies the procedure for handling hazardous waste, under which it mentions the responsibilities of the occupier, granting of authorization, power to suspend or cancel such authorization, rules regarding storage of such waste. The Rules also mention the procedure for recycling, processing and reuse of hazardous waste, import and export of hazardous waste, treatment, storage and disposal facility for hazardous waste, its packaging labeling and transport along with other miscellaneous provisions like records and returns, responsibilities of authorities, accident reporting and follow ups, liability of a transporter, occupier and importer etc.

Employees’ Provident Funds and Miscellaneous Provisions Act, 1952

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 was introduced with the object to institute provident fund for the benefit of employees in factories and other establishments. It empowers the Central Government to frame the "Employee's Provident Fund Scheme", "Employee's Deposit linked Insurance Scheme" and the "Employees' Family Pension Scheme" for the establishment of provident funds under the EPFA for the employees. It also prescribes that contributions to the provident fund are to be made by the employer and the employee.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered his long and meritorious service, at the time of termination of his services.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated on June 26, 2000 under the Companies Act, 1956 with the Registrar of Companies NCT Delhi & Haryana. We received the Certificate of Commencement of Business on July 14, 2000. The Corporate Identification Number of our Company is U74899DL2000PLC106486.

Our Company was originally promoted by Dr. Alok Bhatia, Dr. Sudhir Sharma, Dr. Manoj Kumar Johar, Dr. Sanjay Garg, Dr. Girish Chandra Vaishnava, Dr. Neerja Johar, Dr. Vandana Garg, Dr. Ajay Bhalla, Dr. Harmeet Malhotra and Dr. Jatinder Singh. Our Company and its management was takenover by Ojjus Medicare Private Limited by acquiring 100% ownership on December 03, 2007. The shares of our Company were acquired by Ojjus Medicare Private Limited for a consideration of Rs. 10/- per equity share. For details of acquisition of shares by our present Promoter, refer to the chapter “Capital Structure” on page 18 of the Draft Red Herring Prospectus.

At the time of incorporation, registered office of our Company was situated at Shop No. 42, Nehru Plaza, Patparganj, Main Road, New Delhi - 110 092. The registered office was shifted to C - 61, Greater Kailash 1, First Floor, New Delhi - 110 048 w.e.f. July 11, 2005. Subsequently, w.e.f. May 16, 2008, the registered office was shifted to 705, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110 001.

Our Company is not operating under any injunction or restraining order and is not a sick company.

Our Company has 7 shareholders as on the date of filing of the Draft Red Herring Prospectus with SEBI.

Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
2000	Incorporated and commencement of business
2007	Company taken over by Ojjus Medicare Private Limited - present Promoter
2008	<ul style="list-style-type: none"> - Obtained approval for installation Leksell - Gamma Knife Machine from Atomic Energy Regulatory Board - Revamping of hospital operations and adding super speciality services in Neuro and Cardiac. Installation of 1.5 tesla MRI for advanced imaging capabilities
2009	<ul style="list-style-type: none"> - Purchase and commission of Leksell - Perfexion Gamma Knife unit used in treatment of Brain Tumor on Non-invasive basis - New OTs - modular with laminar flow commissioned - New ICU started with life support ventilators and monitoring systems - Installation of cathlab FD-20 Mixed lab
2010	Increase in the scale of operation by adding more beds for inpatient

Our Main Objects

The main objects of our Company as set forth in the Memorandum of Association of the Company are as follows:

1. To establish, promote, own, run, take on lease, manage, maintain, Hospitals, Nursing Homes, Clinics, Polyclinics, Health Clinics, Dispensaries and Medical Centres in India and elsewhere with a view to provide Nursing Care and facilities to people in the field of

Andrology, Anaesthesiology, Biochemistry, Burns, Cardiology, Cardiothoracic Surgery, Chest Diseases, Clinical Pathology, Cosmetic Surgery, Cytology, Dental Surgery, Dermatology, Diabetology, Drug De-addiction, ENT, Endocrinology, Gastroenterology, Geriatrics, Surgical Gastroenterology, General Surgery, Gynaecology, Haematology, Histopathology, Immunology, Industrial Medicine, IVF., Internal Medicine, Interventional Radiology, Mammography, Micro Surgery, Microbiology, Neonatology, Neurology, Neuroradiology, Neurosurgery, Nuclear Medicine, Nephrology, Obstetrics, Oncology, Surgical Oncology, Ophthalmology, Orthopaedics, Paediatrics, Paediatric Surgery, Physiotherapy, Psychiatry, Radiology, Sex Medicine, Sleep Disorder Laboratory,

Rheumatology, Serology, Transfusion Medicine, Trauma and Emergency, Urology and Vascular Surgery.

2. To undertake research work and carry on tests, investigations and treatment of every nature and description such as pathological, bacteriological, radiological, nuclear, ultrasonic and physical or such other tests and investigations through latest modern methods, devices such as CT scanning, MRI, nuclear scan, lithotripsy and Medical and Surgical Lasers.
3. To act as consultants and advisors providing technical know-how, technical services and allied services for the establishment, operation and improvement of nursing homes, hospitals, clinics, medical institutions, medical centres and laboratories in India and abroad.
4. To establish, maintain, run, manage teaching and training centres in any of the fields specified in sub clauses no. 1 to 3 above.

The Objects under the Memorandum of Association of our Company enable us to undertake activities for which the funds are being raised in this Issue. The existing activities of our Company are in accordance with the Object Clause of our Memorandum of Association.

Changes in the Memorandum of Association since incorporation are as under:

Date of General Meeting	Amendments
August 01, 2001	Authorised Share Capital increased from Rs. 10,00,000 to Rs. 2,50,00,000
December 07, 2005	Authorised Share Capital increased from Rs. 2,50,00,000 to Rs. 5,00,00,000
June 22, 2010	Authorised Share Capital increased from Rs. 5,00,00,000 to Rs. 8,00,00,000
August 03, 2010	Authorised Share Capital increased from Rs. 8,00,00,000 to Rs. 9,00,00,000
December 23, 2010	Authorised Share Capital increased from Rs. 8,00,00,000 to Rs. 25,00,00,000

Changes in the activities of our Company during the preceding five years

There have been no changes in the activities of our Company during the preceding five years preceding the date of this Draft Red Herring Prospectus, which may have a material adverse effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

Holding Company

Ojjus Medicare Private Limited (“OMPL”)

For details, refer to Section “Our Promoter” on page 77 of this Draft Red Herring Prospectus.

Subsidiary Company

Ojjus Fidelity Healthcare Private Limited (“Ojjus Fidelity”)

Ojjus Fidelity Healthcare Private Limited is wholly owned subsidiary of our Company. It was originally incorporated under the Companies Act, 1956 on January 13, 2006 under the name and style of ‘Fidelity Buildcon Private Limited’. The name of the company was changed to ‘Ojjus Fidelity Healthcare Private Limited’ and received the fresh certificate of incorporation on November 05, 2008. The corporate identification number of the Company is U45201DL2006PTC144801. The registered office of the Company is situated at 707, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110 001.

The main object of Ojjus Fidelity is to own, buy, sell, construct, improve, take over, manage, operate and maintain hospitals, clinics, dispensaries, maternity homes, medical, family planning centers, diagnostic centers, critical care centers, rehabilitation centers, research centre, pediatric centers, recovery rooms, health resorts, health clinics, polyclinics, medical centers, Clinical and Pathological laboratories,

Computerized Tomography (CT) Scanning Centers, Cancer centers, etc., to carry on the business to manufacture, produce, sell, formulate or otherwise deal in all sort of medicines, pharmaceuticals, chemicals. Drugs, apparatus and other allied goods and articles, to undertake research work such and treatment of every nature such as pathological, radiological, nuclear, investigations and to act as consultants / advisors for establishment, operation of hospitals, nursing homes and medical institutions.

The present authorized share capital of Ojjus Fidelity is Rs. 400 lakhs.

Shareholding Pattern as on December 31, 2010

Name of the Shareholders	No. of Equity Shares	% of shareholding
Goodwill Hospital and Research Centre Limited	9,999	99.99
Mr. Harvansh Chawla*	1	0.01
Total	10,000	100.0

* Our Company is the beneficial owner of 1 equity share held by Mr. Havansh Chawla. We acquired control of Ojjus Fidelity on March 26, 2010 from our holding Company, i.e. Ojjus Medicare Private Limited.

The equity shares of Ojjus Fidelity are not listed on any stock exchange.

Board of Directors

The board of directors of Ojjus Fidelity currently comprises of

Mr. Harvansh Chawla	Director
Mr. Sandeep Singhania	Director

Summary Audited Financials for the eight months period ended November 30, 2010 and last three fiscal years ended March 31, 2010, 2009 and 2008 are as under:

Particulars	(Rs. in lakhs)			
	November 30, 2010	March 31, 2010	March 31, 2009	March 31, 2008
Total Income	-	-	-	-
Net Profit / (Loss)	(3.59)	(11.93)	(154.07)	(0.29)
Equity Share Capital	1.00	1.00	1.00	1.00
Reserves (net of miscellaneous expenditure)	(170.09)	(166.50)	(154.60)	(0.56)
Net Worth *	(169.09)	(165.50)	(153.60)	0.44
Share Application Money	612.97	5,034.68	612.53	612.53
EPS (in Rs.)	(35.91)	(119.28)	(1540.69)	(2.94)
NAV (in Rs.) *	(1690.94)	(1,655.03)	(1,536.02)	4.40

* Ojjus Fidelity has not commenced business operations and is charging pre-operative expenses to the Profit & Loss Account, resulting in negative net worth and net asset value.

Ojjus Fidelity is in the process of setting up a hospital at Faridabad on an area of land measuring 16,935 sq. mtrs. in sector 8 Urban Estate Faridabad at an estimated cost of Rs. 22,700 lakhs. The land has been allotted by HUDA (Haryana Urban Development Authority) at a cost of Rs. 702.80 lakhs. The total construction area of the hospital is proposed at 3.92 lakh sq. ft. The possession of the land has been obtained and civil work is in process. It has appointed the architect and the hospital building construction contractor. The hospital is proposed to be a super specialty for oncology & rehabilitation and neurology & neurosurgery with 700 beds. Ojjus Fidelity is in the process of achieving financial closure. The hospital is proposed to be operational in phases beginning December 2011.

We have entered into an agreement on January 01, 2011 with Ojjus Fidelity for leasing out 40,000 sq. ft of constructed space with basic infrastructure for setting up the diagnostic centre in the aforesaid hospital. The salient features of the agreement are as under:

- ❖ Our Company will set up diagnostic area in the hospital including facilities for PET / CT Scan, MRI, Digital X-Ray, Echo Cardiology Centre, Stress Echo / PFT, FCG, Pathology LAB.
- ❖ The revenue earned from the diagnostic centre will be shared by our Company and Ojjus Fidelity in the ratio of 70:30 respectively
- ❖ The agreement is for a period of seven years which may be renewed with the mutual consent of the parties to the agreement.

Ojjus Fidelity has committed to provide us the constructed space for diagnostic centre by September 2011, even before the completion of the hospital.

Ojjus Fidelity is authorized through its main objects to engage in same business as that of our Company. As on date, there will not be any conflict of interest as it is wholly owned subsidiary of our Company. However as and when any conflicts or competition may arise, in the event Ojjus Fidelity ceases to be our wholly owned subsidiary or if we cease to have control over it for any reason, our Board shall determine appropriate conflict management policies in accordance with applicable law.

Shareholders Agreement

We have not entered into any shareholders agreement.

Non Compete Agreement

A Non Compete Agreement has been executed on November 10, 2010 between our Company and Karina Healthcare Private Limited, a Promoter Group Company with similar objects, wherein Karina Healthcare Private Limited has agreed not to offer services being offered by us and our Company will have the first right of refusal for any business opportunity stated in our Memorandum of Association. The said Agreement is valid for a period of five years from the date of execution.

Agreement for premises of registered office

We are using the premises licensed to us by one of our Directors, Mr. Harvansh Chawla. Mr. Harvansh Chawla is the lessee of the premises and authorized to use the premises for the purpose of a firm or professional company where he is a proprietor or director or shareholder as per lease agreement with owners of the premises. The lease of Mr. Harvansh Chawla with owners is valid upto December 2013. As per agreement dated December 01, 2010 executed between us and Mr. Harvansh Chawla, our Company is authorized to occupy and use part of the premises as our registered office on a monthly charge of Rs. 25,000 for a period of eleven months. All the basic infrastructure facilities like electricity, telephone, fax etc. is provided by the licensee of the premises to us and we are responsible for payment of charges for these facilities.

Other Agreements

Except as disclosed in this Draft Red Herring Prospectus, there is no material agreement, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us and entered into more than two years before the date of filing of this Draft Red Herring Prospectus.

Joint Venture

As on the date of filing of this Draft Red Herring Prospectus, we do not have any Joint Ventures.

Strategic Partners

As on the date of filing of this Draft Red Herring Prospectus, we do not have any Strategic Partners.

Financial Partners

As on the date of filing this Draft Red Herring Prospectus, we do not have any other financial partners.

OUR MANAGEMENT

Our Company functions under the control of Board of Directors. Presently we have 10 Directors on our Board. The constitution of our Board is as under:

Sr. No.	Name, Designation, Father's Name, Address, occupation	Nationality	Age (Years)	Date of appointment	Directorships / Partnership in other entities
1.	Mr. Kuldeep Rai Chawla Chairman S/o Late Sh. Hans Raj Chawla C – 17, Nizamudin East, New Delhi – 110 013 DIN: 01892143	Indian	72	10/01/2011	<ul style="list-style-type: none"> • Karina Airlines International Limited • Ojjus Medicare Private Limited • Karina Healthcare Private Limited
2.	Mrs. Namrata Chawla Managing Director W/o Mr. Harvansh Chawla C – 17, Nizamudin East, New Delhi – 110 013 DIN: 02699060	Indian	34	01/10/2010 Appointed as Managing Director on 23/12/2010	<ul style="list-style-type: none"> • Karina Airlines International Limited • HN Properties Private Limited
3.	Mr. Harvansh Chawla Director S/o Sh. Kuldeep Rai Chawla C – 17, Nizamudin East, New Delhi – 110 013 DIN: 00005271	Indian	40	14/04/2008	<ul style="list-style-type: none"> • KR Chawla Consulting Private Limited • HN Reacon Private Limited • Ojjus Medicare Private Limited • Ojjus Fidelity Healthcare Private Limited • Karina Airlines International Limited • HP IT Solutions Private Limited • HN Properties Private Limited • Karina Healthcare Private Limited
4.	Mr. Amanveer Singh Whole Time Director S/o Sh. Jagmohan Singh H.No. 66, Pocket – 52, Chitranjan Park, New Delhi – 110 019 DIN: 02159393	Indian	38	31/03/2010 Appointed as Whole Time Director on 01/12/2010	<ul style="list-style-type: none"> • HN Reacon Private Limited
5.	Mr. Sandeep Singhanian Whole Time Director S/o Sh. Vishwanath Singhanian Flat No. 10, Plot No. 1, Sukhdham Appartments, Sector – 9, Rohini, New Delhi – 110 085 DIN: 00039017	Indian	45	01/12/2006 Appointed as Whole Time Director on 01/12/2010	<ul style="list-style-type: none"> • KR Chawla Consulting Private Limited • Ojjus Fidelity Healthcare Private Limited • Karina Airlines International Limited • Karina Healthcare Private Limited • HP IT Solutions Private Limited

Sr. No.	Name, Designation, Father's Name, Address, occupation	Nationality	Age (Years)	Date of appointment	Directorships / Partnership in other entities
6.	Mr. Ram Avtar Poddar Independent Director S/o Sh. Brij Mohan Poddar C – 171, Greater Kailash – 1, New Delhi – 110 048 DIN: 00029313	Indian	71	18/01/2011	<ul style="list-style-type: none"> • Tobacco Institute of India • Chase Investment Limited • Modi Entertainment Limited • Rajputana Developers Limited • Success Principles Limited • Indo Euro Investment Company Private Limited • IPM India Wholesale Trading Private Limited • Marketing & Brand Solutions (I) Private Limited • ME Fashions India Private Limited • ME India Holding Private Limited • Modi ATI Education Private Limited • Modicare Limited
7.	Mr. Vinod Kumar Grover Independent Director S/o Sh. A.N. Grover A-104 Som Vihar, R.K. Puram, New Delhi – 110 022 DIN: 03398588	Indian	72		Nil
8.	Fr. Jose Alarico Carvalho Independent Director S/o Mr. Jose Inacio Carvalho Fr. AL Sch, Father Agnel School, Gautam Nagar, New Delhi – 110 049 DIN: 03398696	Indian	62		Nil
9.	Justice Vijender Jain (Retd) Independent Director S/o Sh. Phool Chand Jain 136, Sector – 15A, Noida, Dadri, Distt. Gautam Budh Nagar, Uttar Pradesh - 201 301 DIN: 03404893	Indian	64		NIL
10.	Mr. Lalit Kumar Joshi Independent Director S/o Sh. Vishnu Dutt Joshi India International Centre, 40 Max Muller Marg, Lodhi Estate, New Delhi – 110 003 DIN:00924273	Indian	67	18/01/2011	<ul style="list-style-type: none"> • Brahma Resorts Private Limited

In terms of Article no. 138 of our Articles of Association, all the Directors of our Company are liable to retire by rotation at every annual general meeting. Every such retiring Director shall be eligible for re-appointment.

Brief Profile of Directors

Mr. Kuldeep Rai Chawla, 72 years, Chairman, holds a Bachelor of Science Degree from Punjab University and is a Law Graduate from Agra University. In 1965 he became the member of Bar Council of India. He has experience of 40 years in civil, labor and corporate law, arbitration and general litigation. He has been legal advisor to various institutions and corporate in his career. He gives his valuable guidance on legal matters and improving the services of our hospital.

Mrs. Namrata Chawla, 34 years, Managing Director, is a graduate from Delhi University and Masters in Business Administration from Apeejay School of Management affiliated to Thames Valley University. She has more than 10 years of experience in running ventures and advising on business development to Corporates. From 2002 to 2007 she was also engaged in retailing of garments under the brand “Irrespective”. Since 2008 she has been instrumental in strategic planning and business development of our hospital. She is responsible for overall management and supervision of the business of our Company.

Mr. Harvansh Chawla, 40 years, is a law graduate from Delhi University and Master’s in International Law from Georgetown University (Law Centre), USA. In 1994 he was admitted to the Bar Council of India and since then he has been actively pursuing his career in the profession of law. He has over 15 years of experience and is a member of International Bar Association, Inter Pacific Bar Association and Indo-US Business Council. As a lawyer he has handled legal work of various multinational clients including Northrop Grumman, Fluor Daniel, Singapore Airlines, Alcatel, Flag Telecom. He was amongst the lawyers who were selected by Ministry of Finance, Government of India, to prepare the counter guarantees for the fast track infrastructure projects in India in the year 1996. He gives his valuable guidance to our Company for development of strategies for future growth.

Mr. Amanveer Singh, 38 years, Whole Time Director, holds a Bachelor Degree in Commerce from Delhi University and a Diploma in Polymer Technology from Polyolefins India Limited affiliated to LPRI, London. He has over 12 years of experience in business development and implementation of projects. He has wide experience in Healthcare and Hospitality industry. He is responsible for operation and day to day management of our hospital.

Mr. Sandeep Singhanian, 45 years, Whole Time Director, holds Masters Degree in Commerce from Kanpur University and a diploma in Executive Master in International Trade from Indian Institute of Foreign Trade. He has over 27 years of experience in Finance and Operations. He has worked with LML Limited, Tirupati Texknit Limited and Edutech Informatics India Limited. He looks after corporate affairs and finance of our Company.

Mr. Ram Avtar Poddar, 71 years, Independent Director, a Chartered Accountant and has completed Advanced Management Program from Harvard Business School and University of Southern California. He has more than 45 years of experience in Tobacco, Automobile and Textile Sector. He has held various top managerial positions in past including Chief Executive of Godfrey Phillips India Limited, Chairman of The Tobacco Institute of India, Vice President of Indian Chamber of Commerce & Industry. He has also been a Member of various committees of FICCI, CII and Assocham.

Mr. Vinod Kumar Grover, 72 years, Independent Director, holds a Bachelor Degree of Economics Hons from Delhi University and Masters Degree of Economics & History from Cambridge University, U.K. He is an ex Indian Foreign Officer with an overall experience of 49 years. He has been Indian Ambassador to various countries and was a member of National Security Advisory Board of the Prime Minister for two years, member advisory committee of Foreign Minister and Oil Diplomacy Committee of the Minister of Petroleum and Natural Gas. At present he is Honorary Advisor to Indo-German Chamber of Commerce.

Fr. Jose Alarico Carvalho, 62 years, Independent Director, holds a Master’s Degree in Sociology from Meerut University and B.Ed Degree from Annamalai University. In 1973 he was ordained as Priest. He has helped in establishment of Fr. Agnel School in Gautam Nagar, Delhi of which he is the founder principal. He also helped in establishing Fr. Agnel School, Noida and Fr. Agnel Balbhawan in Greater

Noida. He has to his credit several articles incinding the NCERT Monograph on Technology and other writings on Sustainable Development.

Justice Vijender Jain (Retd), 64 years, Independent Director, is a post graduate in political science and law graduate from Delhi University. He has over 40 years of experience of working in legal sector. During his career he has worked as a Judge of Delhi Court from 1992 – 2006 and as acting Chief Justice, Delhi Court for six months in 2006. He retired as Chief Justice, Punjab & Haryana Court, India in 2008. He has been executive chairman of Delhi State Legal Services Authority and Honorary Secretary, International Law Association, India Chapter. At present he is associated with various International and Indian Legal Bodies including President, Asia Pacific Jurist Association, Executive Member of International Law Association and Vice President of International Association Democratic Lawyers.

Mr. Lalit Kumar Joshi, 67 years, Independent Director, holds a Post Graduate Degree in Tourism from Salzburg, Austria. He has vast experience in Tourism and Hospitality Industry including 27 years of experience in India International Centre, New Delhi. He is also advisor to the Hon'ble Chief Minister of State of Uttarakhand.

Relationship between the Directors

None of the Directors of our Company are related to each other except:

Sr. No.	Name of the Director	Related to	Nature of Relationship
1.	Mr. Kuldeep Rai Chawla	Mr. Harvansh Chawla Mrs. Namrata Chawla	Father Father-in-law
2.	Mr. Harvansh Chawla	Mr. Kuldeep Rai Chawla Mrs. Namrata Chawla	Son Husband
3.	Mrs. Namrata Chawla	Mr. Kuldeep Rai Chawla Mr. Harvansh Chawla	Daughter-in-law Wife

We also confirm that:

- we have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which our Director were selected as Director or member of Senior Management.
- the service contracts entered into with our Managing Director / Whole Time Director does not provide for any benefit upon termination of employment except the retirement benefits payable to them as Provident Fund, Superannuation and Gratuity as per the policies of our Company.

Borrowing powers

Our Company has passed the resolution in the extra ordinary general meeting of the members held on December 23, 2010 authorizing the Directors of the Company to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 25,000 Lakhs.

Remuneration of our Director

Mrs. Namrata Chawla

Mrs. Namrata Chawla was appointed as Managing Director of our Company by the members in their Extra Ordinary General Meeting held on December 23, 2010 w.e.f. the same date, till the next annual general meeting or September 30, 2011, whichever is earlier at a salary of Rs. 12,00,000 per annum. The details of her salary are as under:

❖ Basic Salary	: Rs. 40,000 per month
❖ Dearness Allowance	: Rs. 20,000 per month
❖ Taxable Allowance	: Rs. 35,000 per month
❖ Tax free perquisites	: Rs. 5,000 per month

Mr. Amanveer Singh

Mr. Amanveer Singh was appointed as Whole Time Director of our Company by the members in their Extra Ordinary General Meeting held on December 01, 2010 w.e.f. the same date, till the next annual general meeting or September 30, 2011, whichever is earlier at a salary of Rs. 12,00,000 per annum. The details of his salary are as under:

❖ Basic Salary	: Rs. 40,000 per month
❖ Dearness Allowance	: Rs. 20,000 per month
❖ Taxable Allowance	: Rs. 35,000 per month
❖ Tax free perquisites	: Rs. 5,000 per month

Mr. Sandeep Singhania

Mr. Sandeep Singhania was appointed as Whole Time Director of our Company by the members in their Extra Ordinary General Meeting held on December 01, 2010 w.e.f. the same date, till the next annual general meeting or September 30, 2011, whichever is earlier at a salary of Rs. 12,00,000 per annum. The details of his salary are as under:

❖ Basic Salary	: Rs. 40,000 per month
❖ Dearness Allowance	: Rs. 20,000 per month
❖ Taxable Allowance	: Rs. 35,000 per month
❖ Tax free perquisites	: Rs. 5,000 per month

Sitting Fee

The Board of Directors has accorded their approval for payment of sitting fee to Directors of the Company for attending the Meeting of the Board. The Directors, other than Executive Directors, are entitled for payment of sitting fee of Rs. 20,000 w.e.f. February 05, 2011 for attending every meeting of Board of its Committee thereof and reimbursement of actual expenditure incurred on travelling, lodging and boarding.

Corporate Governance

The provisions of the Listing Agreement to be entered into with BSE and NSE with respect to corporate governance will be applicable to us immediately upon the listing of our Company's Equity Shares on the Stock Exchanges.

Our Company has complied with the corporate governance requirements as per Clause 49 of the Listing Agreement. In terms of the Clause 49 of the Listing Agreement, our Company has already appointed Independent Directors and constituted the following committees of the Board:

1. Audit Committee

The Audit Committee was re-constituted by our Board in their meeting held on January 18, 2011 in accordance with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Audit Committee presently comprises of:

Sr. No.	Name of Member	Designation	Remarks
1.	Mr. Ram Avtar Poddar	Chairman	Independent Director
2.	Mr. Sandeep Singhania	Member	Executive Director
3.	Fr. Jose Alarico Carvalho	Member	Independent Director

Our Company Secretary is the Secretary to the Committee.

The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of the company's financial reporting and disclosure processes, internal controls, tax policies, compliances and legal requirements and associated matters.

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
8. 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.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
11. 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.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by the statutory auditors, internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the chief internal auditor.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or entrusted upon by the Board.

The powers of the Audit Committee shall include power to:

1. To investigate activity within its terms of reference.
2. To seek information from any employees.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

2. Remuneration Committee

The Remuneration Committee was constituted by our Board in their meeting held on January 18, 2011 in accordance with the requirements of Clause 49 of the Listing Agreement. The Remuneration Committee presently comprises of:

Sr. No.	Name of Member	Designation	Remarks
1.	Fr. Jose Alarico Carvalho	Chairman	Independent Director
2.	Mr. Vinod Kumar Grover	Member	Independent Director
3.	Mr. Ram Poddar	Member	Independent Director

Our Company Secretary is the Secretary to the Committee.

The role of the Remuneration Committee includes:

1. To review the remuneration of whole time / managing director, including annual increment and commissions, after reviewing their performance;
2. Review the remuneration policy followed by the Company, taking into consideration the performance of senior executives on certain parameters;
3. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Remuneration Committee.

3. Shareholders Grievances Redressal Committee

The Shareholders Grievances Redressal Committee was constituted by our Board in their meeting held on January 18, 2011 in accordance with the requirements of Clause 49 of the Listing Agreement. The Shareholders Grievances Redressal Committee presently comprises of:

Sr. No.	Name of Member	Designation	Remarks
1.	Fr. Jose Alarico Carvalho	Chairman	Independent Director
2.	Mr. Harvansh Chawla	Member	Promoter Director
3.	Mr. Lalit Kumar Joshi	Member	Independent Director

Our Company Secretary is the Secretary to the Committee.

The role of the Shareholders Grievances Redressal Committee includes:

1. To approve share transfers and transmissions.
2. To approve splitting of share certificates, consolidation of share certificates and related matters including issue of fresh share certificates in lieu of the split / consolidated certificates.
3. Issue of duplicate share certificates in lieu of lost, mutilated and destroyed certificates.
4. Matters relating to dematerialization of shares and securities.
5. Investor relations and redressal of shareholders grievances in general and relating to non receipt of dividends, interests, non receipt of balance sheet etc in particular.

Interests of Directors

All of our directors may be deemed to be interested to the extent of fees, if any, payable to them, for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and / or reimbursement of expenses and / or commission, if any, payable to them and to the extent of remuneration, if any, paid to them for services rendered as an officer or employee of our company. Further Mr. Harvansh Chawla, one of our Director is interested to the extent of occupancy charges of Rs. 25,000 per month on account of utilization of office space by us for our Registered Office. Mr. harvansh Chawla has also applied for registration of trademark and logo ("Ojjus Medicare") being used by our Company.

The non promoter directors of our company can apply in the Issue and as such, may be regarded as interested in our Company to the extent of equity shares that may be subscribed by or allotted to them pursuant to the Issue. All the Directors may also be regarded as interested to the extent of Equity Shares already held by them or by the companies / firms / ventures promoted by them, if any, or equity shares that may be subscribed by or allotted to them pursuant to the Issue and dividend or other distributions payable to them in respect of the said Equity Shares. All directors may be deemed to be interested in the agreement / arrangements entered into or to be entered into by our company with any company in which they hold directorships or any partnership firms in which they are partners.

Except as stated above and in the section titled "Standalone Financial Statements – Related Party Transactions" on page 95 of this Draft Red Herring Prospectus, and to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Shareholding of our Directors

None of our Directors hold shares in our company as on the date of filing this Draft Red Herring Prospectus except the following (for which our Holding Company, Ojjus Medicare Private Limited is the beneficial owner):

S. No.	Name of the Shareholders	No. of Equity Shares	% of total Shareholding
1.	Mr. Kuldeep Rai Chawla	1	0.00
2.	Mr. Harvansh Chawla	1	0.00
3.	Ms. Namrata Chawla	1	0.00

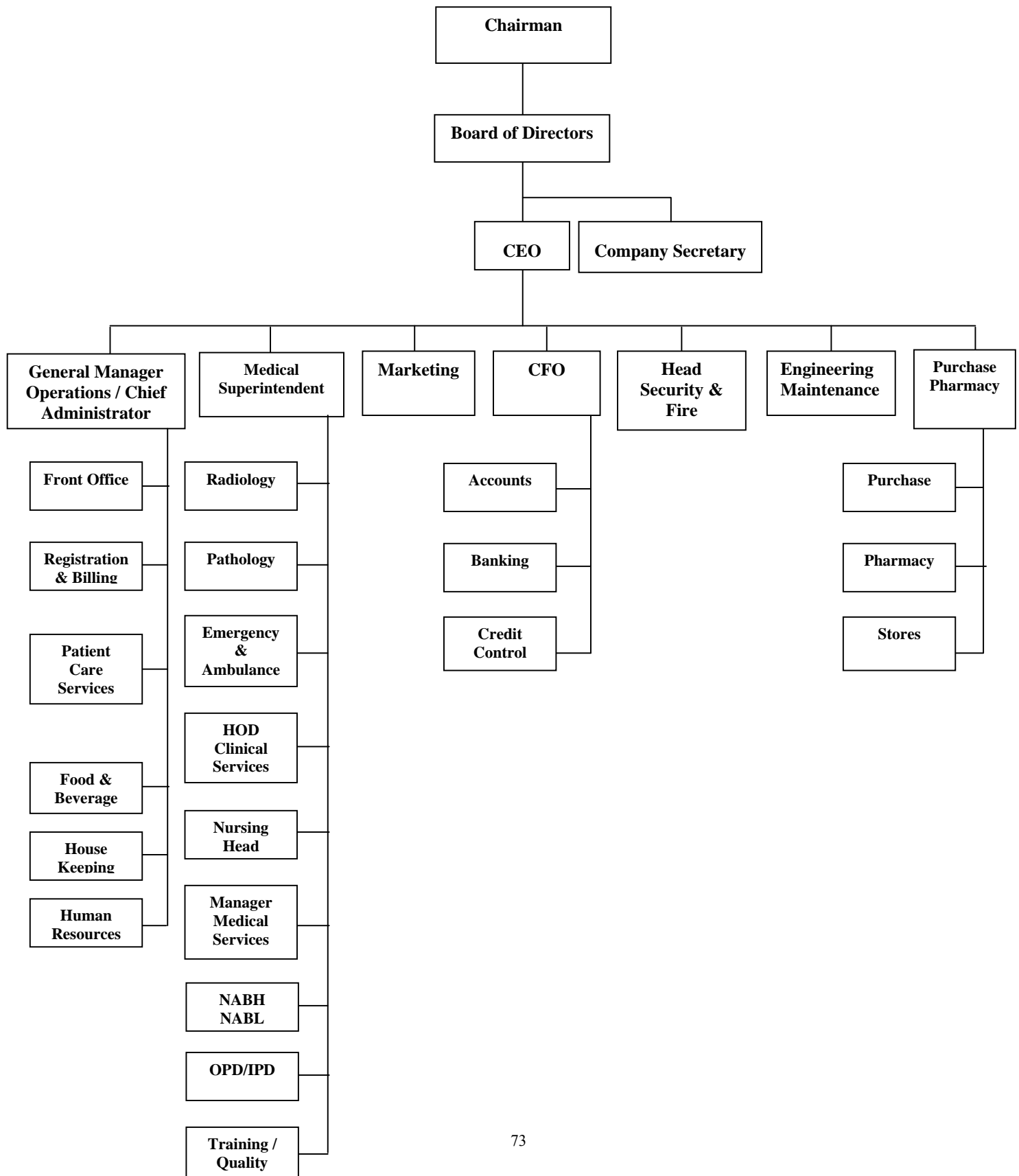
Changes in the Board of Directors in the last 3 years

Except the following, there has been no change in the Board of Directors of our Company during the last three years:

Name of Director	Date of Appointment	Date of cessation	Reason for Change
Mrs. Namrata Chawla	October 01, 2010	-	To broaden the Board
Mr. Amanveer Singh	March 31, 2010	-	To broaden the Board
Mr. Ashwani Bansal	July 11, 2005	March 31, 2010	Due to Resignation
Ms. Vandana Bansal	July 11, 2005	March 31, 2010	Due to Resignation
Mr. Harvansh Chawla	April 14, 2008	-	To broaden the Board
Mr. Kuldeep Rai Chawla	January 10, 2011	-	Appointed as Chairman of the Board
Mr. Ram Avtar Poddar	January 18, 2011	-	To broaden the Board in compliance with Clause 49 of the Listing Agreement
Mr. Vinod Kumar Grover	January 18, 2011	-	To broaden the Board in compliance with Clause 49 of the Listing Agreement
Fr. Jose Alarico Carvalho	January 18, 2011	-	To broaden the Board in compliance with Clause 49 of the Listing Agreement
Justice Vijender Jain (Retd.)	January 18, 2011	-	To broaden the Board in compliance with Clause 49 of the Listing Agreement
Mr. Lalit Kumar Joshi	January 18, 2011	-	To broaden the Board in compliance with Clause 49 of the Listing Agreement

Management Organization Structure

The Organization structure of the senior management is presented below:



Key Managerial Personnel

In addition to Mrs. Namrata Chawla, Mr. Sandeep Singhanian and Mr. Amanveer Singh, the following are Key Managerial Personnel of our Company. For details relating to the profiles of Mrs. Namrata Chawla, Mr. Sandeep Singhanian and Mr. Amanveer Singh see the section titled “Our Management - Brief Profiles of the Directors” on page 65 of this Draft Red Herring Prospectus. All our Key Managerial Personnel are permanent employees of our Company.

Name	Designation	Age (Years)	Qualification	Total Exp.	Date of Joining	Previous Employment
Dr. Mohd Akber Wani	Chief Executive Officer	42	MD and Postgraduate Diploma in Hospital Administration	14	01/12/2010	Medanta Group
Mr. Charanjeet Bareja	Chief Financial Officer	60	B.Com	26	01/04/2008	Orchids
Dr. Prashant Agarwal	Head Medical Services	40	MBBS, DNB and MBA	11	22/09/2009	Apollo Hospital
Ms. Poonam	Chief Administrator	47	MBA, PG-DHA, PGDNA	26	24/08/2009	Pushpanjali Crosslay Hospital
Dr. Subrata Dutta	HOD – Anaesthesia & Critical Care	41	MD – Anaesthesia	24	01/11/2009	Visiting Consultant
Dr. Pallavi Waman Nanaware	Consultant & Incharge – Emergency & Critical Care	33	MBBS, DEM (RCGP-UK)	7	15/10/2009	Pushpanjali Crosslay Hospital
Dr. Shree Nath Caprihan	Head – Casualty & Nursing	51	MBBS, PGDSM	18	15/10/2008	Umkal Hospital
Mrs. Anmary Noble	Nursing Superintendent	30	Diploma in General Nursing and Midwifery	8	21/10/2010	Indraprastha Apollo Hospital
Ms. Jessymol Joseph	Clinical Manager	36	Bachelor of Business Administration, Diploma in Secretarial & Modern Management	13	01/11/2010	Indraprastha Apollo Hospital
Ms. Aarti Sachdeva	Company Secretary	27	ACS, MBA (Finance)	2	30/11/2010	Anil Popli & Co.

Brief profile of the Key Managerial Personnel of our Company is as follows:

Dr. Mohd. Akber Wani, our Chief Executive Officer, holds an M.D (Physician) from Volgograd State Medical Academy, Russia and has Postgraduate Diploma in Hospital Administration from Apollo Hospitals Educational & Research Foundation & Medvarsity Online Limited, Hyderabad. Prior to joining our Company in December 2010, he has worked with Medanta Group, Paras Hospital, Rockland Hospital, Republican Clinical Hospital, Russia. He has over 14 years of experience in the healthcare industry. He is responsible for the implementation of the strategic goals and objectives of our Company. His CTC is Rs. 24 lakhs per annum.

Mr. Charanjeet Bareja, our Chief Financial Officer, holds a bachelor’s degree in Commerce from Agra University. He has over 30 years of experience in the field of Finance and Accounts. Prior to joining our Company in April 2008, he has worked with Orchids, DE Development Engineers Private Limited, Technofab Engineering Limited, Kuhzad NBM Limited, Baharain. He looks after all matters related to finance, accounts and tax of our Company. His CTC is Rs. 6.60 lakhs per annum.

Dr. Prashant Agarwal, holds MBBS degree from G.R. Medical College, Gwalior and has a master's degree in healthcare services from Sikkim Manipal University. Prior to joining our Company in September 2010, he has worked with Apollo Hospital, International (SOS) (India) Private Limited, Max Healthcare, Dharmshila Cancer Hospital and Batra Hospital & Research Center. He has over 11 years of experience in the healthcare industry. He currently heads Medical Services Division of our Company. His CTC is Rs. 10.80 lakhs per annum.

Ms. Poonam, holds Master's Diploma in Business Administration from Symbiosis Institute of Management Studies, Pune and has undergone a course of three years training in theory and practice of nursing at school of Nursing INHS (ASVINI), Mumbai. She has over 26 years of experience in the healthcare industry. Prior to joining our Company she has worked with Pushpanjali Crosslay Hospital, Rockland Hospital, Himalayan Institute Hospital Trust & Medical College. She has also worked in Indian Army as Nursing Officer. She currently holds the position of Chief Administrator of our hospital. Her CTC is Rs. 9 lakhs per annum.

Dr. Subrata Dutta graduated with a MBBS degree from University of Jabalpur and an MD (Anaesthesiology) from Medical College, Jabalpur. He has over 24 years of experience in Anaesthesia & Critical Care. He has also conducted lectures on Basic Underwater Medicine, Hyperbaric Therapy, Preventive Health, First-Aid to Para medical personnel on ships and hospitals. Prior to joining our Company in November 2009, he has worked as a visiting consultant and associate consultant in Medical Intensive care unit at Apollo Hospital. He currently Heads Anaesthesia and Critical Care Division of the Hospital. His CTC is Rs. 18 lakhs per annum.

Dr. Pallavi Waman Nanaware, holds MBBS degree from K.J. Somaiya Medical College and Research Center, Mumbai and Diploma in Emergency Medicine from Apollo Hospital and Research Centre, New Delhi. Prior to joining our Company in October 2009, she has worked with Pushpanjali Crosslay Hospital and Hira Mongi Navneet Hospital. She has over 7 years of experience in the healthcare industry. She currently looks after Emergency and Ambulance Division of the hospital. Her CTC is Rs. 9.60 lakhs per annum.

Dr. Shree Nath Caprihan, holds MBBS degree from Armed Forces Medical College, Pune and Post Graduate Diploma in Sports Medicine from Netaji Subhash National Institute of Sports, Patiala. He has over 18 years of experience and prior to joining our Company, he has worked with Indian Spinal Injuries Centre, Santosh Medical and Dental College Hospital and Bara Hindu Rao Hospital. Presently he is working as Head – Casualty & Corporate Affairs. Her CTC is Rs. 4.80 lakhs per annum.

Mrs. Anmary Noble, holds Diploma in General Nursing and Midwifery from Kasturba School of Nursing, Rajahmundry, Andhra Pradesh. She has over 8 years of experience and prior to joining our Company in October 2010, she has worked with Indraprastha Apollo Hospital. She currently holds the position of Nursing Superintendent in our Hospital. Her CTC is Rs. 5.40 lakhs per annum.

Mrs. Jessymol Joseph, holds a Degree of Bachelor of Business Administration from Annamalai University and a Diploma in Secretarial and Modern Management. She has an overall 13 years and prior to joining our Company in November 2010, she has worked with Indraprastha Apollo Hospital. She is working with our Company as Manager – Medical Service. Her CTC is Rs. 4.20 lakhs per annum.

Ms. Aarti Sachdeva, is our Company Secretary. She completed her company secretaryship from the Institute of Company Secretaries of India, New Delhi and her MBA in finance from Punjab Technical University. Prior to joining our Company, she has worked as an assistant company secretary for 15 months with Anil Popli & Co, New Delhi. She joined our Company in November 2010 and her current responsibilities in our Company include corporate compliances and secretarial matters. Her CTC is Rs. 3.00 lakhs per annum.

We confirm that the service contracts entered into with our Key Management Personnel does not provide for any benefit upon termination of employment except the retirement benefits payable to them as Provident Fund, Superannuation and Gratuity as per the policies of our Company. Except the normal

incentive scheme of the Company, there is no specific incentive sharing plan for the Key Managerial Personnel.

We also confirm that we have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of the key management personnel was appointed as a member of Senior Management.

None of the Key Managerial Personnel of our Company is related to each.

Changes in Key Management Personnel during the last three years

Name	Designation	Date of Appointment	Date of Cessation
Dr. Mohd Akber Wani	Chief Executive Officer	December 01, 2010	-
Ms. Aarti Sachdeva	Company Secretary	November 30, 2010	-
Ms. Jessymol Joseph	Clinical Manager	November 01, 2010	-
Mrs. Anmary Noble	Nursing Superintendent	October 21, 2010	-
Dr. Prashant Agarwal	Head Medical Services	September 22, 2010	-
Dr. Subrata Dutta	HOD – Anesthesia & Critical Care	November 01, 2009	-
Dr. Pallavi Waman Nanaware	Consultant & Incharge – Emergency & Critical Care	October 15, 2009	-
Ms. Poonam	Chief Administrator	August 24, 2009	-
Mrs. M Mathai	Nursing Superintendent	July 15, 2009	January 31, 2010
Mr. Arvind Agarwal	Vice President Finance	July 02, 2009	October 31, 2009
Dr. Shree Nath Caprihan	Head – Casualty & Nursing	October 15, 2008	-
Mr. Charanjeet Bareja	Chief Financial Officer	April 01, 2008	-
Ms. Nancy Sharma	Company Secretary	April 15, 2010	November 29, 2010
Dr. Arun Kumar Jain	Chief Medical Superintendent	-	September 30, 2010
Dr. Pradeep Bhardwaj	Chief Operating Officer	-	July 31, 2009
Major General S B Akali (Retd)	Chief Administrator	-	June 29, 2009

Shareholding of Key Managerial Personnel

None of the Key Managerial Personnel is holding any shares in our Company.

Interest of Key Managerial Personnel

No key Managerial Personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Employee Stock Option Scheme / Employees Stock Purchase Scheme

Presently, we do not have any Employee Stock Option Scheme / Employees Stock Purchase Scheme

Payment or benefit to officers of the Company

Except the payment of salaries and perquisites, the Company does not make any payments to its officers.

OUR PROMOTER**Ojjus Medicare Private Limited (“OMPL”)**

We are wholly owned subsidiary of Ojjus Medicare Private Limited. OMPL was originally incorporated as ‘HN Estate Developers Private Limited’ on March 11, 2004 under the Companies Act, 1956 with the Registrar of Companies NCT Delhi & Haryana. The name of the company was subsequently changed to ‘HN Healthcare Private Limited’ pursuant to a fresh certificate of incorporation dated July 28, 2004. The name of the company was further changed to ‘Ojjus Medicare Private Limited’ pursuant to a fresh certificate of incorporation dated September 02, 2008. The registered office of OMPL is situated at 7th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110 001.

Ojjus Medicare Private Limited is authorized to carry on the business of setting up of Hospital, Nursing Homes, Dispensary, Medical Clinic, Maternity and Family Planning Units or Pathological Laboratories and to provide treatment in Allopathic / Homeopathic / Ayurvedic or in any other pathy. The Promoter of OMPL is Mr. Harvansh Chawla.

CIN : U45201DL2004PTC125125
 PAN : AABCH6207Q
 Bank a/c No. : 65012347662 with State Bank of Patiala, Shastri Bhawan, Rajendra Prasad Road, New Delhi

The equity shares of OMPL are not listed on any stock exchange.

Shareholding Pattern as on December 31, 2010

Name	No. of equity shares	% of shareholding
Mr. Harvansh Chawla	9,999	99.99
Mr. Kuldeep Rai Chawla	1	0.01
Total	10,000	100.00

Board of Directors

Mr. Harvansh Chawla and Mr. Kuldeep Rai Chawla are the Directors of OMPL as on December 31, 2010.

Financial performance

The audited standalone financial results of Ojjus Medicare Private Limited for the financial years ended March 31, 2010, 2009 and 2008 are set forth below.

	(Rs. in lakhs)		
Particulars	March 31, 2010	March 31, 2009	March 31, 2008
Total Income	-	0.13	-
Profit after Tax	(0.07)	0.02	(14.47)
Equity share capital (including share forfeiture)	7.22	1.00	1.00
Reserves & Surplus (net of miscellaneous expenditure)	408.88	(14.83)	(14.85)
Net Worth	416.10	(13.83)	(13.85)
Share Application Money	5,908.08	1031.72	430.01
Book Value per share of face value Rs. 10/- each (in Rs.)	4,160.98	(138.33)	(138.45)
Earnings per share of face value Rs. 10/- each (in Rs.)	(0.74)	0.18	(144.67)

OMPL has not been a declared a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 (the “SICA”) and is not under winding up.

Other confirmation

Our Company confirms that the PAN, bank account number and company registration details of OMPL along with the address of the Registrar of Companies where our Promoter is registered have been submitted to the Stock Exchanges, at the time of filing the Draft Red Herring Prospectus with SEBI.

There has been no change in the control or management of our corporate Promoter during the three years immediately preceding the date of filing of this Draft Red Herring Prospectus.

Common Pursuits

There are common pursuits between our Company and Promoter group company, Karina Healthcare Private Limited, as they are engaged in the same line of activity in which company is engaged. Our Company has entered into Non Compete Agreement dated November 10, 2010 with Karina Healthcare Private Limited. The above mentioned entity has agreed not to offer services currently being offered by us and our Company will have the first right of refusal for any new business opportunity. The said Agreement is valid for a period of five years.

We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

Interest of Promoters

The Promoter shall be deemed as interested to the extent of Equity Shares held by it or by the companies / firms / ventures promoted by it, if any, and dividend or other distributions payable to it in respect of the said Equity Shares. Except as stated above and in the section titled “Standalone Financial Information - Related Party Transactions” on page 95 of this Draft Red Herring Prospectus, and to the extent of shareholding in our Company, our Promoter does not have any other interest in our business.

Payment of benefits to our Promoter during the last two years

Except purchase of shares (including share application money) of Ojjus Fidelity by us from our Promoter as stated in the section titled “Standalone Financial Statements - Related Party Transactions” on page 95 of this Draft Red Herring Prospectus, there has been no payment of benefits to our Promoter during the last two years from the date of filing of this Draft Red Herring Prospectus.

Related party transactions

For details of related party transactions, see the section titled “Related Party Transactions” on page 95 of this Draft Red Herring Prospectus.

Litigation

For details regarding litigation involving Promoter, see the chapter titled “Outstanding Litigation and Material Developments”, on page 129 of this Draft Red Herring Prospectus.

OUR PROMOTER GROUP

Given below is the list of entities which forms part of our Promoter Group. All the Promoter Group Companies are unlisted and have not made any public issue in the preceding three years. None of the Promoter Group Company has become a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and is not under winding up or liquidation. For details on litigations and disputes pending against the Promoter Group Entities please refer to the section titled “Outstanding Litigations and Material Developments” on page 129 of this Draft Red Herring Prospectus.

1. K R Chawla Consulting Private Limited
2. HN Reacon Private Limited
3. HN Properties Private Limited
4. Karina Airlines International Limited
5. HP IT Solutions Private Limited
6. Karina Healthcare Private Limited
7. K R Chawla & Company

In addition to the entities named above, the following persons are part of our Promoter Group:

Name of Person	Relationship (with Mr. Harvansh Chawla)	Number of shares at the time of filing DRHP
Mr. Harvansh Chawla	Self (Promoter of OMPL)	1
Mr. Kuldeep Rai Chawla	Father	1
Mrs. Kumud Chawla	Mother	1
Mrs. Namrata Chawla	Spouse	1
Mr. Ojjus Chawla	Son	Nil
Ms. Karina Chawla	Daughter	Nil

Promoter Group Entities

1. K R Chawla Consulting Private Limited

K R Chawla Consulting Private Limited was incorporated on February 11, 2003 under the Companies Act, 1956. Corporate Identification Number of the Company is U74140DL2003PTC118916. The Registered Office of the company is situated at 7th Floor, Kailash Building, 26 Kasturba Gandhi Marg, New Delhi - 110 001. The main object of the company is to carry on business and provide consultancy services in the field of legal, accounts, corporate in Indian and abroad and to assist any company, institution or other enterprises in its dealing with government, local, statutory or other authority in India or abroad in the legitimate pursuit of these activities or in the field of information technology.

Board of Directors as on December 31, 2010

Mr. Harvansh Chawla	Director
Mr. Sandeep Singhania	Director

Shareholding Pattern

Name	No. of equity shares	% of shareholding
Harvansh Chawla	49,065	62.06
HN Properties Private Limited	30,000	37.94
Total	79,065	100.00

Financial performance

The audited financial results of K R Chawla Consulting Private Limited for the financial years ended March 31, 2010, 2009 and 2008 are set forth below.

	(Rs. in lakhs)		
Particulars	March 31, 2010	March 31, 2009	March 31, 2008
Total Income	2,290.04	794.93	-
Profit after Tax	992.41	132.81	-
Equity share capital	7.91	7.91	7.91
Reserves & Surplus (net of miscellaneous expenditure)	1,571.10	578.69	464.12
Net Worth	1,579.01	586.60	472.03
Share Application Money	910.64	910.64	463.04
Book Value per share of face value Rs. 10/- each (in Rs.)	1,997.10	741.92	597.01
Earnings per share of face value Rs. 10/- each (in Rs.)	1,255.18	167.98	-

2. HN Reacon Private Limited

HN Reacon Private Limited was incorporated on February 13, 2004 under the Companies Act, 1956. Corporate Identification Number of the Company is U70101DL2004PTC124645. The Registered Office of the company is situated at 7th Floor, 705-706 Kailash Building, 26 K G Marg, New Delhi - 110 001. The main object of the company is to carry on business and to make sale, purchase, acquire and deal in all kind of real estate agent, dealer, representative and colonizer; and to design and to develop colony/ies, farm houses, land and building and other properties; and to deal in all matters relating to real estate.

Board of Directors as on December 31, 2010

Mr. Harvansh Chawla	Director
Mr. Amanveer Singh	Director

Shareholding Pattern

Name	No. of equity shares	% of shareholding
Harvansh Chawla	10,999	99.99
Kuldeep Rai Chawla	1	0.01
Total	11,000	100.00

Financial performance

The audited financial results of HN Reacon Private Limited for the financial years ended March 31, 2010, 2009 and 2008 are set forth below.

	(Rs. in lakhs)		
Particulars	March 31, 2010	March 31, 2009	March 31, 2008
Total Income	720.42	308.78	6.02
Profit after Tax	406.84	85.14	(0.34)
Equity share capital (including share forfeiture)	7.33	1.10	1.10
Reserves & Surplus (net of miscellaneous expenditure)	658.45	86.78	1.61
Net Worth	665.78	87.88	2.71
Share Application Money	347.72	265.77	248.57
Book Value per share of face value Rs. 10/- each (in Rs.)	6,052.51	798.84	24.67
Earnings per share of face value Rs. 10/- each (in Rs.)	3,698.58	773.98	3.13

3. HN Properties Private Limited

HN Properties Private Limited was originally incorporated as Thames Estate Private Limited on September 24, 2002 under the Companies Act, 1956. The name of the company was changed to HN Properties Private Limited pursuant to a fresh certificate of incorporation dated April 15, 2004. Corporate Identification Number of the Company is U70101DL2002PTC117107. The Registered Office of the company is situated at 707, Kailash Building, 26 K G Marg, New Delhi - 110 001. The main object of the company is to purchase, sell, own, develop, improve, let, take on lease, exchange, mortgage, assign, hire or otherwise acquire and/or dispose off or let or give on rent lands of any tenure or interest therein and to develop, erect, construct and furnish Industrial, Residential, Agricultural, Commercial, Social, Rural and/or Urban Townships or Estates and to rebuild, enlarge, alter and improve existing structures and works thereon and to act as town planners and civil contractors and to carry on the business of Real Estate Developers and colonizers and for such purpose to prepare estimates, designs, plans and specifications.

Board of Directors as on December 31, 2010

Mr. Harvansh Chawla	Director
Ms. Namrata Chawla	Director

Shareholding Pattern

Name	No. of equity shares	% of shareholding
Mr. Harvansh Chawla	9,999	99.99
Mr. Kuldeep Rai Chawla	1	0.01
Total	10,000	100.00

Financial performance

The audited financial results of HN Properties Private Limited for the financial years ended March 31, 2010, 2009 and 2008 are set forth below.

	(Rs. in lakhs)		
Particulars	March 31, 2010	March 31, 2009	March 31, 2008
Total Income	0.13	1.25	-
Profit after Tax	0.00	0.79	(0.36)
Equity share capital	1.00	1.00	1.00
Reserves & Surplus (net of miscellaneous expenditure)	(0.02)	(0.04)	(0.85)
Net Worth	0.98	0.96	0.15
Share Application Money	275.18	275.18	78.78
Book Value per share of face value Rs. 10/- each (in Rs.)	9.77	9.56	1.45
Earnings per share of face value Rs. 10/- each (in Rs.)	0.03	7.95	(3.62)

4. Karina Airlines International Limited

Karina Airlines International Limited was originally incorporated as JGD Infrastructures Private Limited on August 06, 2007 under the Companies Act, 1956. The name of the company was subsequently changed to K R Chawla Infra & Aviation Academy Private Limited pursuant to a fresh certificate of incorporation dated October 18, 2007. The name of the company was further changed to Karina Airlines International Private Limited pursuant to fresh certificate of incorporation dated November 22, 2010. Subsequently the company was converted into public limited company and received fresh certificate of incorporation dated December 29, 2010 in the name of Karina Airlines International Limited. Corporate Identification Number of the Company is U62200DL2007PLC166678. The Registered Office of the company is situated at 705, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110 001. The main object of the company is to provide air-taxi services for transport of passengers, mail, cargo and / or freight and to cater to domestic and international tourist traffic. The company is also engaged to carry on the business and to build, design, develop, engineer, own, run, operate and maintain Airports and all other related services and infrastructure

thereto and to run aircraft / helicopter, flying / maintenance, engineering or management courses including consultancy and training center in the field of aviation and to set up or acquire / joint venture development of Institutions related thereto.

Board of Directors as on December 31, 2010

Mr. Harvansh Chawla	Director
Mr. Kuldeep Rai Chawla	Director
Mrs. Kumud Chawla	Director
Mrs. Namrata Chawla	Director
Mr. Sandeep Singhania	Director

Shareholding Pattern

Name	No. of equity shares	% of shareholding
Mr. Harvansh Chawla	49,99,994	99.99
Mr Kuldeep Rai Chawla	1	0.00
Mrs Kumud Chawla	1	0.00
Mrs Namrata Chawla	1	0.00
Miss Karina Chawla u/g Mr Harvansh Chawla	1	0.00
Master Ojjus Chawla u/g Mr Namrata Chawla	1	0.00
Mr. Sandeep Singhania	1	0.00
Total	50,00,000	100.00

Financial performance

The audited financial results of Karina Airlines International Limited for the financial years ended March 31, 2010, 2009 and 2008 are set forth below.

Particulars	(Rs. in lakhs)		
	March 31, 2010	March 31, 2009	March 31, 2008
Total Income	338.43	6.83	-
Profit after Tax	3.36	-	-
Equity share capital	500.00	1.00	1.00
Reserves & Surplus (including pre operative expenditure)	(314.64)	(318.00)	(27.06)
Net Worth	185.36	(317.00)	(26.06)
Share Application Money	2600.00	-	-
Book Value per share of face value Rs. 10/- each (in Rs.)	3.71	(3,170.03)	(260.61)
Earnings per share of face value Rs. 10/- each (in Rs.)	0.07	-	-

5. HP IT Solutions Private Limited

HP IT Solutions Private Limited was incorporated on June 24, 2006 under the Companies Act, 1956. Corporate Identification Number of the Company is U72200DL2006PTC150060. The Registered Office of the company is situated at 707, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110 001. The main object of the company is to carry out complete Information Technology (IT) enabled products and services including setting up of back-offices operations, call centers, data processing centers, BPO (Business Process Outsourcing) works, Medical transcription, e-mail centers, bill paying centers, secretarial services centers, accounting centers including pay rolls accounting and other back office operations.

Board of Directors as on December 31, 2010

Mr. Harvansh Chawla	Director
Mr. Sandeep Singhania	Director

Shareholding Pattern

Name	No. of equity shares	% of shareholding
Mr. Harvansh Chawla	9,999	99.99
Mr. Sandeep Singhania	1	0.01
Total	10,000	100.00

Financial performance

The audited financial results of HP IT Solutions Private Limited for the financial years ended March 31, 2010, 2009 and 2008 are set forth below.

(Rs. in lakhs)			
Particulars	March 31, 2010	March 31, 2009	March 31, 2008
Total Income	-	-	1.93
Profit after Tax	-	-	-
Equity share capital (including share forfeiture)	3.30	1.00	1.00
Reserves & Surplus (including pre operative expenditure)	(26.40)	(67.25)	(64.16)
Net Worth	(23.10)	(66.25)	(63.16)
Share Application Money	44.95	43.33	43.33
Book Value per share of face value Rs. 10/- each (in Rs.)	(70.06)	(662.47)	(631.59)
Earnings per share of face value Rs. 10/- each (in Rs.)	-	-	-

The Company has not commenced its business operation

6. Karina Healthcare Private Limited

Karina Healthcare Private Limited was originally incorporated as Karina Healthcare (Jharkhand) Private Limited on February 19, 2008 under the Companies Act, 1956. Subsequently the name of the company was changed to Karina Healthcare Private Limited pursuant to a fresh certificate of incorporation dated August 11, 2008. Corporate Identification Number of the Company is U85110DL2008PTC174229. The Registered Office of the company is situated at 707, Kailash Building, 26, K G Marg, New Delhi - 110 001. The main object of the company is establish, own, buy, sell, construct, improve, take over, manage, operate and maintain hospitals, clinics, dispensaries, maternity homes, medical family planning centers, diagnostic centers, critical care centers, rehabilitation centers, pediatric centers, recovery rooms, health resorts, health clinics, polyclinics, medical centers, Clinical and Pathological Laboratories, Computerized Tomography (CT) Scanning Centers, Cancer Centers, Hospitals, Nursing Homes, Clinics, Polyclinics, Operation Theatres, Chemist Shop, Blood banks, Eye banks, kidney bank, Physiotherapy centers, Investisation centers, dispensaries, Research centers, X-Ray centers. Medical and / or Para medical testing center, Pathology centers, various advanced Electro-medical testing centers for the general public for commercialize and charitable relief to the poor, sick, physically handicapped in India and abroad.

Board of Directors as on December 31, 2010

Mr. Kuldeep Rai Chawla	Director
Mr. Harvansh Chawla	Director
Mr. Sandeep Singhania	Director

Shareholding Pattern

Name	No. of equity shares	% of shareholding
Mr. Harvansh Chawla	9,999	99.99
Mr. Kuldeep Rai Chawla	1	0.01
Total	10,000	100.00

Financial performance

The audited financial results of Karina Healthcare Private Limited for the financial years ended March 31, 2010 and 2009 are set forth below.

(Rs. in lakhs)		
Particulars	March 31, 2010	March 31, 2009
Total Income	-	-
Profit after Tax	(44.11)	36.02
Equity share capital	1.00	1.00
Reserves & Surplus (net of miscellaneous expenditure)	(80.26)	(36.15)
Net Worth	220.84	173.95
Share Application Money	300.10	209.10
Book Value per share of face value Rs. 10/- each (in Rs.)	(792.65)	(351.51)
Earnings per share of face value Rs. 10/- each (in Rs.)	(441.14)	(360.21)

7. K R Chawla & Company

K R Chawla & Company is a law firm promoted by Mr. Harvansh Chawla. The proprietor of the firm is Mr. Harvansh Chawla. The address of the firm is 707, Kailash Building, 26 K G Marg, New Delhi-110 001

(Rs. in lakhs)			
Particulars	March 31, 2010	March 31, 2009	March 31, 2008
Profit after Tax	36.41	90.29	90.26
Capital	469.40	429.35	559.09

Companies / Ventures with which our Promoter has disassociated during the last three years

Our Promoter has not disassociated with any Company during the last three years.

Payment of benefits to our Promoter during the last two years

Except as stated under Related Party Transactions appearing under the Section "Standalone Financial Statements - Related Party Transactions" on page 95 of the Draft Red Herring Prospectus, there has been no payment of benefits to our Promoter during the last two years from the date of filing of this Draft Red Herring Prospectus.

Related party transactions

For details of related party transactions, see the chapter titled "Standalone Financial Statements - Related Party Transactions" on page 95 of the Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends, if any will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. The Board may also from time to time pay interim dividends. All dividend payments are made in cash to the shareholders of the Company. No dividend has been declared by our Company since inception.

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

FINANCIAL STATEMENTS
STANDALONE FINANCIAL STATEMENTS

To
The Board of Directors
Goodwill Hospital and Research Centre Limited,
705, Kailash Building, 26, Kasturba Gandhi Marg,
New Delhi – 110001

Dear Sir,

1. We have examined the attached standalone restated financial information of **Goodwill Hospital and Research Centre Limited**, as approved by the Board of Directors of the Company for the eight months period ended on November 30, 2010 and the financial years ended March 31, 2010, 2009, 2008, 2007 and 2006 proposed to be included in the Offer Document issued by the Company in connection with its proposed Public Issue of equity shares and prepared in accordance with:
 - (a) Terms of the Paragraph B(1), Part II of schedule II of the Companies Act, 1956;
 - (b) Securities Exchange Board of India (Issue Of Capital and Disclosure Requirements) Regulations, 2009 as amended to the date and issued by Securities and Exchange Board of India (“SEBI”) in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992 and
 - (c) The terms of engagement agreed upon with you in accordance with our engagement letter dated 27th December, 2010, requesting us to carry out work, proposed to be included in the Offer Document issued by the Company in connection with its proposed Public Issue of equity shares.
2. These information have been extracted by the Management from the standalone financial statements for the eight months period ended November 30, 2010 and the financial years ended March 31, 2010, 2009, 2008, 2007 and 2006 and have been adopted by Members / Board of Directors of the Company. We are of the opinion that the standalone restated financial information has been made after incorporating:
 - a) Adjustments for the change in accounting policies retrospectively in respective financial years to reflect the same Accounting treatment as per changed accounting policy for all the reporting periods.
 - b) Adjustments for the material amounts in the respective financial years to which they relate.
 - c) And there are no extra-ordinary items that need to be disclosed separately in the accounts and qualification requiring adjustments.
3. We did not audit the standalone financial statement of the company for financial years ending on March 31, 2008, 2007 and 2006. These financial statements have been audited by other auditor, namely Garg B Mohan & Co, Chartered Accountants, whose auditor’s report has been furnished to us. Our opinion in so far as it relates to the amount included in these restated standalone statements are based on the auditor’s report of the respective auditors.
4. In accordance with the requirements of Paragraph of Part II of Schedule II of the Act, the SEBI Regulations and terms of our engagement agreed with you, we further report that:
 - a) Annexure-I contains the summary of standalone Restated Assets and Liabilities of the company as at November 30, 2010 and the financial years ended March 31, 2010, 2009, 2008, 2007 and 2006.
 - b) Annexure-II contains the summary of standalone Restated Profit & Loss Account for the eight months period ended November 30, 2010 and the financial years ended March 31, 2010, 2009, 2008, 2007 and 2006.

- c) Annexure-III contains the summary of standalone Restated Cash Flow Statement for the eight months period ended November 30, 2010 and the financial years ended March 31, 2010, 2009, 2008, 2007 and 2006.
- d) Annexure-IV contains the summary of Significant Accounting Policies and Notes on Accounts for Restated Financial Information.
- e) Based on above, we are of the opinion that the restated financial information have been made after incorporating:

Sr. No.	Annexure	Annexure No.
1.	Related Party Disclosures	Annexure V
2.	Statement of Investments	Annexure VI
3.	Sundry Debtors	Annexure VII
4.	Loans & Advances	Annexure VIII
5.	Secured Loan	Annexure IX
6.	Unsecured Loan	Annexure X
7.	Contingent Liabilities	Annexure XI
8.	Statement showing details of other Income	Annexure XII
9.	Summary of Accounting Ratios	Annexure XIII
10.	Capitalization Statements	Annexure XIV
11.	Computation of Deferred Tax Asset / Liability	Annexure XV
12.	Statement of Tax Shelter	Annexure XVI

- 5. In our opinion the standalone financial information contained in Annexure-I to Annexure-XVI of this report read along with the Significant Accounting Policies, Change in Significant Accounting Policies and Notes (as Referred to in Annexure IV) prepared after making adjustments and regrouping as considered appropriate have been prepared in accordance with Part IIB of Schedule II of the Companies Act, 1956 and SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009.
- 6. This report should not in any way be construed as a re-issuance or redrafting 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 information referred to herein.
- 7. Our report is intended solely for use of the management and for inclusion in the offer document in connection with the proposed public offer. Our report should not be used for any other purpose except with our consent in writing.

For Chandiok & Guliani
Chartered Accountants
Firm Reg. No.: 001199N

V. K. Lalla
Partner
M No.80847

Place: New Delhi
 Date: January 17, 2011

Annexure I

Standalone summary statement of Assets and Liabilities (restated)

(Rs. in lakhs)

	Particulars	As at 30.11.2010	As at 31.03.2010	As at 31.03.2009	As at 31.03.2008	As at 31.03.2007	As at 31.03.2006
(A)	Fixed Assets						
	Gross Block	7,947.16	6,146.19	2,974.92	802.25	768.54	722.78
	Less Depreciation	1,646.58	1,071.51	296.68	186.63	132.63	76.44
	Net Block	6,300.58	5,074.68	2,678.24	615.62	635.91	646.34
	Less: Revaluation Reserve	-	-	-	-	-	-
	Net Block after adjustment for Revaluation Reserve	6,300.58	5,074.68	2,678.24	615.62	635.91	646.34
	Capital work-in-progress (including Capital Advances)	3,784.59	2,209.67	3,749.32	2.49	-	-
	Total	10,085.17	7,284.35	6,427.56	618.11	635.91	646.34
(B)	Investments	613.97	613.53	-	-	-	-
(C)	Deferred tax assets	-	-	-	9.24	38.3	39.34
(D)	Current Assets, Loans and Advances						
	Inventories	55.01	44.82	19.27	28.99	24.13	6.29
	Sundry Debtors	298.52	54.55	41.93	49.62	34.18	7.11
	Cash and Bank Balances	15.17	16.30	8.50	5.03	22.77	27.68
	Loans and Advances & Other Current Assets	745.97	651.37	400.59	233.50	14.54	19.85
	Total	1,114.67	767.04	470.29	317.14	95.62	60.93
(E)	Liabilities and Provisions:						
	Secured Loans	5,847.43	4,150.49	4,516.42	287.73	314.41	390.22
	Unsecured Loans	2,210.32	1,901.06	963.43	-	-	-
	Deferred Tax Liabilities	594.96	395.76	114.16	-	-	-
	Current Liabilities	169.91	245.63	114.42	53.40	25.51	34.12
	Provisions	341.50	153.92	46.70	6.29	0.33	0.07
	Share Application Money	94.00	494.00	94.00	316.62	159.38	54.00
	Total	9,258.12	7,340.86	5,849.13	664.04	499.63	478.41
	Net worth(A+B+C+D-E)	2,555.69	1,324.06	1,048.72	280.45	270.20	268.20
	Represented by						
(F)	Share Capital	900.00	500.00	500.00	371.87	371.87	371.87
(G)	Reserves & Surplus	1,655.69	824.06	549.07	6.22	6.22	6.22
(H)	Debit Balance of Profit & Loss Account	-	-	-	(96.43)	(105.84)	(106.76)
(I)	Miscellaneous Expenditure (To the extent not written off or adjusted)	-	-	(0.35)	(1.21)	(2.05)	(3.13)
	Net worth(F+G+H+I)	2,555.69	1,324.06	1,048.72	280.45	270.20	268.20

Annexure II

Standalone summary statement of Profit & Loss account (restated)

(Rs. in lakhs)

Particulars	For eight months period ended on 30.11.2010	For the financial year ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Income						
Operating Income	2980.05	2289.67	1046.05	548.95	360.05	117.43
Other income	1.59	1.33	0.58	0.49	2.56	11.10
Total Income	2981.64	2291.00	1046.63	549.44	362.61	128.53
Expenditure						
Cost of materials consumed	179.09	96.58	110.62	91.24	53.51	14.93
Personnel Expenses	148.98	160.23	112.43	90.77	34.32	42.81
Operating Expenses	284.7	257.53	238.29	203.21	135.47	55.63
Selling, General & Administrative Expenses	272.6	64.1	39.69	31.27	41.17	13.57
Preliminary Expenses written off	-	0.35	0.85	0.85	0.85	0.85
Total Expenditure	885.37	578.79	501.88	417.34	265.32	127.79
Net Profit before Interest, Depreciation, Taxation and extraordinary items	2096.27	1712.21	544.75	132.10	97.29	0.74
Financial Expenses	265.35	374.63	51.85	37.13	38.73	49.05
Depreciation & Amortisation	575.07	781.00	110.05	54.00	56.19	55.04
Net Profit before Taxation & extraordinary items	1255.85	556.58	382.85	40.97	2.37	(103.35)
Extraordinary items (net of tax)	-	-	-	-	-	-
Net profit before Taxation	1,255.85	556.58	382.85	40.97	2.37	(103.35)
Provision for:-						
Current Tax	225.00	105.20	40.80	1.96	-	0.01
Fringe Benefit Tax	-	-	0.79	0.54	0.41	0.14
Deferred Tax	199.21	281.60	123.41	29.06	1.04	(27.57)
Mat Credit	-	(105.20)	-	-	-	-
Total	424.21	281.60	165.00	31.56	1.45	(27.42)
Net profit after taxation	831.64	274.98	217.85	9.41	0.92	(75.93)
Add: Balance Brought Forward	396.40	121.42	(96.43)	(105.84)	(106.76)	(30.83)
Balance Carried to Balance Sheet	1228.04	396.40	121.42	(96.43)	(105.84)	(106.76)

Annexure III

Statement of cash flows

(Rs. in lakhs)

Particulars	For eight months period ended on 30.11.2010	For the financial year ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
CASH FLOW FROM OPERATING ACTIVITIES (A)						
Net profit before tax , prior period items & extra-ordinary items	1255.85	556.58	382.85	40.97	2.37	(103.35)
Adjustment for						
Depreciation	575.06	781.00	110.05	54.00	56.19	55.04
Provisions	-	-	1.38	-	-	-
Loss on Sale of Fixed Assets	-	6.19	-	-	-	-
Financial Expenses	265.36	374.62	51.85	35.50	37.87	47.89
Misc. expenditure written off	-	0.35	0.85	0.85	1.09	1.23
Total Operating profit before working capital changes	2096.27	1718.74	546.98	131.32	97.52	0.81
Working Capital Changes						
(Increase)/decrease in Receivables	(243.98)	(12.61)	7.69	(15.44)	(27.06)	(6.32)
(Increase)/decrease in Inventories	(10.19)	(25.55)	9.72	(4.87)	(17.84)	(1.71)
(Increase)/decrease in Loans & Advances	(94.60)	(250.77)	61.03	27.89	5.30	(15.35)
(Increase)/decrease in Payables	(75.72)	131.20	(167.09)	(218.96)	(8.61)	(25.72)
(Increase)/decrease in Provisions	(37.42)	107.22	-	3.78	-	-
Net (increase)/decrease in working capital	(469.91)	(50.51)	(88.65)	(207.60)	(48.21)	(49.10)
Cash generated from operations	1634.36	1668.23	458.33	(76.28)	49.31	(48.29)
Taxes paid	-	-	2.55	0.33	0.15	0.08
Net cash from operating activities	1634.36	1668.23	455.78	(76.61)	49.16	(48.37)
CASH FLOW FROM INVESTING ACTIVITIES (B)						
Purchase of assets / addition to CWIP / construction stores & advances	(3375.88)	(1643.98)	(5919.50)	(36.20)	(45.76)	(58.42)
Investment in Subsidiary	(0.44)	(613.53)	-	-	-	-
Net cash used in investing activities	(3376.32)	(2257.51)	(5919.50)	(36.20)	(45.76)	(58.42)
CASH FLOW FROM FINANCING ACTIVITIES (C)						
Issue of Equity capital	400.00	-	549.56	-	-	130.58
Proceeds from borrowings (net)	2006.19	571.71	5192.12	-	-	-
Repayment of loans	-	-	-	(26.68)	(75.81)	(9.81)
Proceeds / (Repayment) of share application money	(400.00)	400.00	(222.63)	157.25	105.38	54.00
Financial Expenses	(265.36)	(374.63)	(51.85)	(35.50)	(37.87)	(49.66)
Net cash from financing activities	1740.83	597.08	5467.20	95.07	(8.30)	125.11
Net increase / decrease in cash and cash equivalents (A+B+C)	(1.13)	7.80	3.47	(17.74)	(4.90)	18.32
Cash and cash equivalents at the beginning of the year	16.30	8.50	5.03	22.77	27.68	9.36
Cash and cash equivalents at the end of the year	15.17	16.30	8.50	5.03	22.77	27.68

Annexure IV

Notes to Restated Summary Statement of Assets & Liabilities, Profit & Loss Account as restated, for Goodwill Hospital & Research Center Limited

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

The financial statements have been prepared to comply in all material respects in accordance with the Notified Accounting Standards by Companies (Accounting standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis (except in case of assets for which impairment is made and revaluation is carried out, if any). The accounting policies have been consistently applied by the company and are consistent with those used in previous years.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles required management to make estimates and assumptions the effect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of the purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

d. Depreciation and Amortisation

- i) Leasehold hold land is amortised over the initial period of lease or useful life of asset whichever is shorter.
- ii) Depreciation on all other fixed assets is provided using Written Down value method as per rates specified in Schedule XIV to the Companies Act, 1956 on prorata basis.
- iii) Individual Assets not exceeding Rs. 5000 are depreciated fully in the year of purchase.

e. Investments

The investments are classified as Long-Term Investments and Current Investments. Investments, which are intended to be held for one year or more, are classified as Long Term Investments and investments, which are intended to be held for less than one year, are classified as Current Investments. Long-term investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for. Current Investments are valued at cost or market price whichever is lower. The company has invested in the shares of other companies, being in the nature of Long Term Investments and has accordingly have been valued at Cost price. The reduction in prices, if of permanent in nature is appropriately adjusted in terms of the Accounting Standard.

f. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

g. Inventories

Medical Consumables, Pharmacy Items, Stores and Spares are valued at lower of cost and net realizable value. Cost is determined on First in First out (FIFO) basis.

h. Revenue recognition

Operating income

Operating Income is recognized as and when the services are rendered /pharmacy items are sold.

i. Miscellaneous Expenditure

Deferred revenue expenditure on account of Sign Board Expenses and staff recruitment expenses have been written off over a period of three years and two years respectively from the year of start of business.

Preliminary Expenditure and Share issue expenses have been written off in equal annual installments over a period of five years.

j. Foreign Currency Transactions

a.) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b.) Exchange Differences

Exchange differences arising on the long term Foreign currency items are reported as per option given in Notification given by Ministry of Company affairs dt. 31.03.09 wherein exchange difference in so far as they relate to the acquisition of a depreciable asset have been adjusted with the cost of asset and would be depreciated over the balance useful life of asset .

k. Employee benefits (Disclosure under AS-15(Revised))

a.) Contribution to Provident Fund

The Company makes contributions to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952.Provident fund is a defined contribution scheme and the contributions are charged to the Profit and Loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

b.) Gratuity

Gratuity liability is defined obligation and is provided for on the basis of an actuarial valuation made at the end of the year using the projected unit credit method.

l. Income Taxes

Current tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of the Income Tax Act, 1961. Deferred Tax Assets are recognised on the basis of reasonable/virtual certainty that sufficient future taxable income will be available against which the same can be realised.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by the way of a credit to the profit and loss account and shown as MAT Credit Entitlement.

m. Earnings per Share

Basic earnings per share is calculated by dividing the net consolidated profit or loss for the year attributable to equity shareholders (after deducting attributable taxes, if any) by weighted average number of equity shares outstanding during the year.

n. Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable

estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

2. Notes on Adjustments for Restated Financial Statements

a) Summary

The reconciliation of Profit after Tax as per Audited Results and the Profit after Tax as per Restated Accounts is presented below in Table - 1. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the profit and loss:

Table-1

(Rupees in Lakhs)

Particulars	For eight months Period Ended on 30.11.2010	For the Financial Year ended on				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Profit after Tax as per Audited Accounts	831.64	274.77	201.36	15.04	2.76	(74.07)
Adjustments for :						
Change in Accounting Policies	-	-	-	-	-	-
Prior Period Adjustments :						
Provision for Income Tax	-	-	-	-	0.01	(0.01)
Amortization of Leasehold Land	-	-	12.92	(1.85)	(1.85)	(1.85)
Provision for Gratuity	-	-	2.58	(2.58)	-	-
Provision for Leave Encashment	-	-	1.20	(1.20)	-	-
Operating Expenses	-	0.21	(0.21)	-	-	-
Profit after Tax as restated	831.64	274.98	217.85	9.41	0.92	(75.93)

b) Current Tax and Deferred Tax impact on restatement

The profit and loss account of some years include amounts paid/ provided for or refunded back/written back, in respect of excess or shortfall income tax arising out of self assessments which has now been adjusted in the respective years' tax liability/ (asset).

c) Prior Period Adjustments

The profit and loss account of all the financial years included some Prior Period Adjustments relating to the earlier years. The said adjustments have been adjusted in the respective years as is apparent from Table - 1.

d) Material Regroupings

Appropriate adjustments, wherever material, have been made in the Restated Summary Statements of Assets and Liabilities, Profits and losses, wherever required, by a 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 Financials of the Company for the period ended on 30th November, 2010 and the requirements of the guidelines issued by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time. The expenses have been regrouped as Cost of Materials Consumed, Personnel Expenses, Operating Expenses, Selling General & Administrative Expenses, Preliminary Expenses Written off, Financial expenses & Depreciation & Amortization Expenses.

e) Segment Reporting:

No separate segments have, however, been reported as the company does not have more than one Business or Geographical Segments, within the meaning of Accounting Standard – 17, which differ from each other in risk and reward.

f) Dividend

The Company has not declared any Dividend during the periods reported in the Restated Accounts

3. Auditors' Qualifications

There are no Audit qualification on Accounts restated and covered in this report and hence do not require any corrective adjustment in the financial information.

Annexure V

Related Party Relationships pursuant to Accounting Standard-18 for the Financial Year 2005-06 are as follows:

Name of the Party	Relationship
Jyoti Hospital Private Limited	Holding Company
Dr Ashwani Kumar Bansal	Key Personnel
Dr Vandana Bansal	Key Personnel
Mr. Manoj Johar	Key Personnel
Dr Vandana Garg	Key Personnel

Transaction with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2005-06

(Rs. in lakhs)

Particulars	Relationship	Transaction	Amount
Dr Vandana Bansal	Key Personnel	a) Professional Fees b) Shares Allotment Money	0.04 45.00
Dr Ashwani Kumar Bansal	Key Personnel	Shares Allotment Money	18.00
Jyoti Hospital Private limited	Holding Company	Shares Allotment Money	51.60

Related Party Relationships pursuant to Accounting Standard-18 for the Financial Year 2006-07 are as follows:

Name of the Party	Relationship
Jyoti Hospital Private Limited	Holding Company
Dr Ashwani Kumar Bansal	Key Personnel
Dr Vandana Bansal	Key Personnel
Sandeep Singhania	Key Personnel
Dr Vanadana Garg	Key Personnel

Transaction with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2006-07

(Rs. in lakhs)

Particulars	Relationship	Transaction	Amount
Dr Vandana Bansal	Key Personnel	Professional Fees	0.72

Related Party Relationships pursuant to Accounting Standard-18 for the Financial Year 2007-08 are as follows:

Name of the Party	Relationship
Ojjus Medicare Private Limited (Formerly H N Healthcare Private Limited)	Holding Company
Dr Ashwani Kumar Bansal	Key Personnel
Dr Vandana Bansal	Key Personnel
Sandeep Singhania	Key Personnel

Transaction with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2007-08

(Rs. in lakhs)

Particulars	Relationship	Transaction	Amount
Dr Vandana Bansal	Key Personnel	Professional Fees	0.003

Related Party Relationships pursuant to Accounting Standard-18 for the Financial Year 2008-09 are as follows:

Name of the Party	Relationship
Ojjus Medicare Private Limited (Formerly H N Healthcare Private Limited)	Holding Company
Dr Vandana Bansal	Key Personnel
Dr Ashwani Kumar Bansal	Key Personnel
Sandeep Singhania	Key Personnel
Karina Healthcare Private Limited	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.
Mr Harvansh P. Chawla	Key Personnel

Transaction with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2008-09

(Rs. in lakhs)

Particulars	Relationship	Transaction	Amount
Dr Vandana Bansal	Key Personnel	Professional Fees	0.003
Karina Healthcare Private Limited	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.	a) Interest b) Loan Given	11.84 9.88
Ojjus Medicare Private Limited	Holding Company	a) Shares Allotment Money b) Unsecured Loan	549.56 963.43

Related Party Relationships pursuant to Accounting Standard-18 for the Financial Year 2009-10 are as follows:

Name of the Party	Relationship
Ojjus Medicare Private Limited (Formerly H N Healthcare Private Limited)	Holding Company
Ojjus Fidelity Healthcare Private limited	Subsidiary Company
Dr Vandana Bansal	Key Personnel
Dr Ashwani Kumar Bansal	Key Personnel
Sandeep Singhania	Key Personnel
Karina Healthcare Private Limited	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.
Mr Harvansh P. Chawla	Key Personnel
K R Chawla & Co.	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.

Transaction with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2009-10

(Rs. in lakhs)

Particulars	Relationship	Transaction	Amount
Ojjus Fidelity Healthcare Private Limited	Subsidiary Company	Investment	613.53
Karina Healthcare Private Limited	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.	a) Interest b) Loan Given	27.06 57.19
Ojjus Medicare Private Limited	Holding Company	a) Payment of Share Application Money of Ojjus Fidelity Healthcare Pvt Ltd. b) Unsecured Loan c) Share Application Money received	612.53 160.70 400.00

Particulars	Relationship	Transaction	Amount
K R Chawla & Co.	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.	Unsecured Loan	164.40

Related Party Relationships pursuant to Accounting Standard-18 for the eight months period ended November 30, 2010 are as follows:

Name of the Party	Relationship
Ojjus Medicare Private Limited (Formerly H N Healthcare Private Limited)	Holding Company
Ojjus Fidelity Healthcare Private limited	Subsidiary Company
Sandeep Singhania	Key Personnel
Karina Healthcare Private Limited	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.
Mr Harvansh P. Chawla	Key Personnel
K R Chawla & Co.	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.
Mr. Aman Veer Singh	Key Personnel
Mrs. Namrata Chawla	Relative of Key Management Personnel

Transaction with Related Parties pursuant to Accounting Standard-18 for the eight months period ended November 30, 2010

(Rs. in lakhs)

Particulars	Relationship	Transaction	Amount
Ojjus Fidelity Healthcare Private limited	Subsidiary Company	Investment	0.44
Ojjus Medicare Private Limited	Holding Company	a) Unsecured Loan b) Share Application Money converted into Share Capital	201.04 400.00
Karina Healthcare Private Limited	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.	a) Interest b) Loan Given	13.30 42.79
K R Chawla & Co.	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.	Unsecured Loan	87.15
Mrs. Namrata Chawla	Relative of Key Management Personnel	Unsecured Loan	21.07
Mr. Aman Veer Singh	Key Personnel	Professional charges	9.00

Annexure VI**Details of Investment, as restated**

(Rs. in lakhs)

Particulars	For the eight months period ended 30.11.2010	For the financial years ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Long Term Investments						
Unquoted						
- Equity Shares	1.00	1.00	-	-	-	-
- Share Application money (Pending for Allotment)	612.97	612.53	-	-	-	-

Annexure VII**Details of Sundry Debtors, as restated**

(Rs. in lakhs)

Particulars	For the eight months period ended 30.11.2010	For the financial years ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Unsecured Considered Good						
-Less than Six Months*	264.23	37.93	33.96	47.86	14.85	6.57
-More than Six Months*	34.29	16.62	7.97	1.76	19.33	0.54
Total	298.52	54.55	41.93	49.62	34.18	7.11

(*) It does not include any debtors which are related to the Directors or Promoters or Directors of the Promoters

Annexure VIII**Details of Loans & Advances, as restated**

(Rs. in lakhs)

Particulars	For the eight months period ended 30.11.2010	For the financial years ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Advances recoverable in cash or kind or for value to be received	607.94*	523.22**	390.79***	225.83	12.22	17.73
Security Deposit	11.97	12.97	6.26	4.06	0.97	0.77
Mat Credit Entitlement	105.20	105.20	-	-	-	-
Advance Tax & TDS	20.86	9.98	3.54	3.61	1.35	1.35
Total	745.97	651.37	400.59	233.50	14.54	19.85

(*) Includes an amount of Rs 109.86 receivable from Karina Healthcare Private Limited.

(**) Includes an amount of Rs 67.07 receivable from Karina Healthcare Private Limited.

(***) Includes an amount of Rs 9.88 receivable from Karina Healthcare Private Limited.

Annexure IX

Details of Secured Loan, as restated

(Rs. in lakhs)

Particulars	For the eight months period ended 30.11.2010	For the financial years ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Bank of India (Term Loan)	3804.26	1943.47	2191.69	243.45	314.41	390.22
HSH Nord Bank, Denmark (ECB Loan)	1865.56	2103.88	2324.73	-	-	-
Bank of India (Working Capital Loan)	177.61	103.14	-	44.28	-	-
Total	5847.43	4150.49	4516.42	287.73	314.41	390.22

Outstanding as on November 30, 2010

(Rs. in lakhs)

Name of the Bank (Nature of Loan)	Amount Sanctioned	Outstanding as on 30.11.2010	Rate of Interest	Securities Offered	Repayment Terms
Bank of India (Term Loan)	Term Loan I -2000 Lakhs Term Loan II- 240 Lakhs Term Loan III- 1875 Lakhs Term Loan IV- 625 Lakhs	1545.14 80.00 1754.12 425.00	Term Loan I & II- BPLR+ 0.25% i.e. 13.50% p.a. Interest payable monthly. Presently Base Rate +4% i.e. 12.00% p.a. Interest payable monthly Term Loan III & IV- Base Rate+4.0% i.e. presently 12.00% p.a. Interest payable monthly	(i) Hypothecation of Hospital Equipments (present & Future except Gamma Knife) (ii) Equitable Mortgage of Hospital Land & Building situated at D-141(A & B), Sector-40, Noida-201301, U.P in the name of the company (iii) Personal Guarantee of Mr. Harvansh Prem Chawla and corporate guarantee of Ojjus Medicare Private Limited	Term Loan-I Repayable in 22 Quarterly Installments of Rs 90.91 Lacs commencing from 01.10.2009 Term Loan-II Repayable in 15 Quarterly Installments of Rs 16.00 Lacs commencing from 01.08.2008 Term Loan-III Repayable in 24 Quarterly Installments, first 12 installments of Rs 55.00 Lacs each commencing from 01.07.2011, next 11 installments of Rs 100.00 Lacs and last installments of Rs 115.00 Lacs Term Loan-IV Repayable in 24 Quarterly Installments, first 12 installments of Rs 20.00 Lacs each commencing from 01.07.2011, next 11 installments of Rs 30.00 Lacs and last installments of Rs 55.00 Lacs
HSH Nord Bank, Denmark (ECB Loan)	2184.50	1865.56	6 months Euribor +1.50 p.a	Hypothecation of Gamma Knife Equipment	10 equal half yearly installments of Euro 0.34 million commencing from 22.02.2010
Bank of India (Working Capital Loan)	300.00	177.61	BPLR+0.50%, presently Base Rate+4.25% i.e. 12.25% p.a. with monthly rests.	Hypothecation of Stock of Medicines, consumables & Book Debts/ Receivables	Not Applicable

Annexure X**Details of Unsecured Loan, as restated**

(Rs. in lakhs)

Particulars	For the eight months period ended 30.11.2010	For the financial years ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
K R Chawla & Co. *	251.55	164.40	-	-	-	-
Namrata Chawla *	21.07	-	-	-	-	-
Ojjus Medicare Pvt. Ltd.*	1937.70	1736.66	963.43	-	-	-
Total	2210.32	1901.06	963.43	-	-	-

(*) Terms of Unsecured Loan: Loan will be repayable only after repayment of Term Loan from Bank of India and no interest will be provided during the tenure of above unsecured loans.

Annexure XI**Details of Contingent Liabilities, as restated**

(Rs. in lakhs)

Particulars	For the eight months period ended 30.11.2010	For the financial years ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
	Nil	Nil	Nil	Nil	Nil	Nil

Annexure XII**Details of Other Income, as restated**

(Rs. in lakhs)

Particulars	Nature of Transaction	For the eight months period ended 30.11.2010	For the financial years ended				
			31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Misc Receipts	Recurring Nature & Out of business Activities	1.59	1.23	0.42	0.41	2.56	11.10
Interest Income	Non Recurring Nature & Out of business Activities	-	0.10	0.16	0.08	-	-
Total		1.59	1.33	0.58	0.49	2.56	11.10

Annexure XIII

Statement of Accounting Ratios

Particulars	For Eight Months Period Ended on 30.11.2010	For the financial years ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Net Worth (Rs. In Lakhs)	2555.69	1324.06	1048.72	280.45	270.20	268.20
Restated Earnings Attributable to Equity Share Holders (Rs. in Lakhs)	831.64	274.98	217.85	9.41	0.92	(75.93)
No. of Equity Shares outstanding at the end of Specified Period	90,00,000	50,00,000	50,00,000	37,18,674	37,18,674	37,18,674
Weighted No. Of Equity Shares outstanding during the Specified Period	74,93,827	50,00,000	45,47,148	37,18,674	37,18,674	37,18,674
Earning Per Share (EPS) (Face value of Rs. 10/- Each) - Basic And Diluted Earnings Per Share (Rs.)	11.10	5.50	4.79	0.25	0.02	(2.04)
Return on Net Worth (%)	32.54	20.77	20.77	3.36	0.34	(28.31)
Net Assets Value per share of Rs. 10/- each (Rs.)	28.40	26.48	20.97	7.54	7.27	7.21

Formula:

Earning Per Share (Rs.) = Restated Earnings Attributable to Equity Share Holders / Weighted No. of Equity Shares

Net Asset Value (Rs.) = Net Worth / No. of Equity Shares

Return on Net Worth (%) = Restated Earnings Attributable to Equity Share Holders / Net Worth

Annexure XIV

Capitalisation Statement

(Rs. in lakhs)

Particulars	Pre Issue as at 30.11.2010	Post Issue*
Borrowings		
Secured Loans	5,847.43	
Unsecured Loans	2210.32	
Total Borrowings	8057.75	
Less :Short term Debts	755.25	
Total Long Term Borrowings	7302.50	
Shareholders' Funds		
Equity Share Capital	900.00	
Reserve & Surplus		
Profit & Loss Account	1228.04	
Securities Premium	427.65	
Miscellaneous Expenditure	-	
Total Shareholders' Funds	2555.69	
Long Term Debt / Equity Ratio	2.86	
Total Debt / Equity Ratio	3.15	

Note: Short Term Debts are debts maturing within next one year.

(*) Figures will be updated at the time of filling of prospectus with ROC.

Annexure XV

Computation of Deferred Tax Asset / Liability

(Rs. in lakhs)

Particulars	For Eight Months Period Ended on 30.11.2010	For the financial years ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Timing Differences						
WDV as per Companies Act, 1956	6300.58	5074.68	2678.24	615.62	635.91	646.34
WDV as per Income Tax Act, 1961	4509.47	3910.33	2342.37	582.78	606.96	619.46
Brought Forward Losses	-	-	-	(60.03)	(141.64)	(143.76)
Total Timing difference(Net)	1791.11	1164.35	335.87	(27.19)	(112.69)	(116.88)
Effective Tax Rates (%)	33.22%	33.99%	33.99%	33.99%	33.99%	33.66%
Tax on Timing Differences	594.96	395.76	114.16	(9.24)	(38.30)	(39.34)
Deferred Tax Liability / (Asset)	594.96	395.76	114.16	(9.24)	(38.30)	(39.34)

Annexure XVI

Statement of Tax Shelters

(Rs. in lakhs)

Particulars	For Eight Months Period Ended 30.11.2010	For the financial years ended				
		31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006
Profit before Tax as per Audited P&L account	1255.85	556.37	366.36	46.60	4.22	(101.53)
Less: Income considered separately	-	-	-	-	1.00	6.00
Less : Depreciation allowable U/s 32 of the Income Tax Act, 1961	801.23	1740.95	426.00	56.05	56.42	56.87
Add:						
Depreciation Charged to Profit & Loss account	575.06	781.00	110.05	52.16	54.34	53.20
Loss on Sale of Fixed Asset	-	6.19	-	-	-	-
Gratuity provided in books of accounts	-	1.19	0.80	-	-	-
Prior Period item disallowed	-	0.21	16.70	-	-	-
Disallowance U/s 43B	-	0.83	0.58	-	-	-
Other Disallowances	-	1.00	1.63	0.34	9.51	0.22
Expenses disallowed in previous year						
U/s 40 now allowed	-	-	-	9.24	-	-
Income from House Property	-	-	-	-	0.70	4.20
Gross Total Income	1029.68	(394.16)	70.12	33.81	11.35	(106.78)
Unabsorbed Depreciation Setoff	-	-	59.33	-	-	-
Deduction under Chapter VI	-	-	-	-	-	-
Taxable Income	1029.68	(394.16)	10.79	33.81	11.35	(106.78)
Normal Rate of Tax (%)	33.22%	33.99%	33.99%	33.99%	33.99%	33.66%
Provision for Tax (including Surcharge & Cess)	342.03	94.58	38.07	1.96	-	-
Interest U/s 234 A/B/C	6.07	10.62	12.20	-	-	-
Total Tax including Interest Payable	348.10	105.20	50.27	1.96	-	-
Taxes paid in relevant Financial Year	9.63	6.43	3.26	2.25	-	1.35
Taxes paid in subsequent Financial Year	-	-	49.57	-	-	-
MAT Credit Setoff	99.56	-	-	-	-	-
Total Taxes paid	109.19	6.43	52.83	2.25	-	1.35
(Tax Payable) / Refund Due	(238.91)	(98.77)	2.56	0.29	-	1.35

CONSOLIDATED FINANCIAL STATEMENTS

To
The Board of Directors
Goodwill Hospital and Research Centre Limited,
705, Kailash Building, 26, Kasturba Gandhi Marg,
New Delhi – 110001

Dear Sir,

We have examined the attached consolidated financial information of **Goodwill Hospital and Research Centre Limited**, as approved by the Board of Directors of the Company for the eight months period ended on November 30, 2010 and the financial year ended March 31, 2010 proposed to be included in the Offer Document issued by the Company in connection with its proposed Public Issue of equity shares and prepared in accordance with:

- (a) Terms of the Paragraph B(1), Part II of schedule II of the Companies Act, 1956;
- (b) Securities Exchange Board of India (Issue Of Capital and Disclosure Requirements) Regulations, 2009 as amended to the date and issued by Securities and Exchange Board of India (“SEBI”) in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992 and
- (c) The terms of engagement agreed upon with you in accordance with our engagement letter dated 27th December, 2010, requesting us to carry out work, proposed to be included in the Offer Document issued by the Company in connection with its proposed Public Issue of equity shares.

Financial Information as per restated financial statements:

- (1) We have examined the attached ‘Consolidated Restated Summary Statement of Assets and Liabilities’ of the Company for the eight months period ended on November 30, 2010 and the financial year ended March 31, 2010 (**Annexure I**) and the attached ‘Consolidated Restated Summary Statement of Profit & Losses’ for the years ended on those dates (**Annexure II**) together, referred to as ‘Summary Statements’. The summary statements have been extracted from the financial statements of the eight months period ended on November 30, 2010 and the financial year ended March 31, 2010 have been adopted by the Board of Directors/Members and audited by us.
- (2) Based on our examination of these summary statements, we state that:
 - The Restated Profits have been arrived at after charging all expenses including depreciation and after making such adjustments and re-grouping as in our opinion are appropriate in the financial year to which they relate.
 - The Summary Statements have to be read in conjunction with the notes given in Annexure to this report.
 - There are no qualifications in the auditor’s report that require adjustments to the Summary Statements.
 - The extra ordinary items that need to be disclosed separately in the summary statements have been appropriately disclosed.
- (3) The summary of significant accounting policies adopted by the Company pertaining to the financial statements as at November 30, 2010 are disclosed in **Annexure IV**.
 - Adjustments for the changes in accounting policies retrospectively in respective financial years, if any, to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.
 - Adjustments for the material amounts in the respective financial years to which they relate.

Other Financial Information:

- (1) We have also examined the following other consolidated financial information annexed to in this report, prepared by the management and approved by the Board of Directors, relating to the company for the eight months period ended on November 30, 2010 and the financial year ended March 31, 2010 these information have been included.

Sr. No.	Annexure	Annexure No.
1.	Cash Flow Statements	Annexure III
2.	Related Party Disclosures	Annexure V
3.	Sundry Debtors	Annexure VI
4.	Loans & Advances	Annexure VII
5.	Secured Loan	Annexure VIII
6.	Unsecured Loan	Annexure IX
7.	Contingent Liabilities	Annexure X
8.	Statement showing details of other Income	Annexure XI
9.	Summary of Accounting Ratios	Annexure XII
10.	Capitalization Statements	Annexure XIII
11.	Computation of Deferred Tax Asset / Liability	Annexure XIV

- (2) In our opinion the 'consolidated financial information as per audited financial statements' and 'other financial information' as mentioned above read along the Significant Accounting policies and Notes to Accounts prepared, after making adjustments and regrouping as considered appropriate, have been prepared in accordance with Part II of Schedule II of the Companies Act, 1956 and Securities And Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009.
- (3) This report should not in any way be construed as a re-issuance or redrafting 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 information referred to herein.
- (4) Our report is intended solely for use of the management and for inclusion in the offer document in connection with the proposed public offer. Our report should not be used for any other purpose except with our consent in writing.

For Chandiok & Guliani
Chartered Accountants
Firm Reg. No.: 001199N

V. K. Lalla
Partner
M No.80847

Place: New Delhi
 Date: January 17, 2011

Annexure I

Consolidated summary statement of Assets and Liabilities (restated)

		(Rs. in lakhs)	
	Particulars	As at 30.11.2010	As at 31.03.2010
(A)	Fixed Assets		
	Gross Block	8543.31	6742.33
	Less Depreciation	1646.58	1071.51
	Net Block	6896.73	5670.82
	Less: Revaluation Reserve	-	-
	Net Block after adjustment for Revaluation Reserve	6896.73	5670.82
	Capital work-in-progress (including Capital Advances)	4277.80	2702.88
	Total	11174.53	8373.7
(B)	Goodwill	166.5	166.5
(C)	Current Assets, Loans and Advances		
	Inventories	55.01	44.82
	Sundry Debtors	298.52	54.55
	Cash and Bank Balances	26.52	27.64
	Loans and Advances & Other Current Assets	4680.97	4586.37
	Total	5061.02	4713.38
(D)	Liabilities and Provisions:		
	Secured Loans	5847.43	4150.49
	Unsecured Loans	6801.63	6489.21
	Deferred Tax Liabilities	594.96	395.76
	Current Liabilities	170.43	246.15
	Provisions	341.50	153.92
	Share Application Money	94.00	494.00
	Total	13849.95	11929.53
	Net worth(A+B+C-D)	2552.10	1324.05
	Represented by		
(E)	Share Capital	900.00	500.00
(F)	Reserves & Surplus (Net of Revaluation Reserve)	1652.10	824.05
	Net worth(E+F)	2552.10	1324.05

Annexure II

Consolidated summary statement of Profit & Loss (restated)

Particulars	(Rs. in lakhs)	
	For Eight Months Period Ended on 30.11.2010	For the Financial Year ended on 31.03.2010
Income		
Operating Income	2980.05	2289.67
Other income	1.59	1.33
Total Income	2981.64	2291.00
Expenditure		
Cost of materials consumed	179.09	96.58
Personnel Expenses	148.98	160.23
Operating Expenses	284.7	257.53
Selling, General & Administrative Expenses	273.69	64.1
Preliminary Expenses written off	-	0.35
Total Expenditure	886.46	578.79
Net Profit before Interest, Depreciation, Taxation and extraordinary items	2095.18	1712.21
Financial Expenses	267.85	374.63
Depreciation & Amortisation	575.07	781.00
Net Profit before Taxation & extra ordinary items	1252.26	556.58
Extraordinary items (net of tax)	-	-
Net profit before Taxation	1,252.26	556.58
Provision for:-		
Current Tax	225.00	105.20
Defferred Tax	199.21	281.60
Mat Credit	-	(105.20)
Total	424.21	281.60
Net profit after taxation	828.05	274.98
Add: Balance Brought Forward	396.40	121.42
Balance Carried to Balance Sheet	1224.45	396.40

Annexure III

Statement of Cash Flows (restated)

		(Rs. in lakhs)	
	Particulars	For Eight Months Period Ended on 30.11.2010	For the Financial Year ended on 31.03.2010
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax, prior period items and extra-ordinary items	1252.26	544.65
	Adjustment for		
	Depreciation	575.06	781.00
	Loss on Sale of Fixed Assets	-	6.19
	Financial Expenses	265.36	374.63
	Misc. expenditure written off	-	0.38
	Total Operating profit before working capital changes	2092.69	1706.85
	Working Capital Changes		
	(Increase)/decrease in Receivables	(243.98)	(12.61)
	(Increase)/decrease in Inventories	(10.19)	(25.55)
	(Increase)/decrease in Loans and Advances	(94.61)	(271.99)
	(Increase)/decrease in Payables	(75.72)	129.49
	(Increase)/decrease in Provisions	(37.42)	107.22
	Net (increase)/decrease in working capital	(461.91)	(73.44)
	Cash generated from operations	1630.77	1633.41
	Taxes paid	-	-
	Net cash from operating activities - A	1630.77	1633.41
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of assets / addition to CWIP/ construction stores & advances	(3375.88)	(2137.19)
	Investment in Subsidiary (Including Share Application Money)	(0.44)	(613.53)
	Net cash used in Investing activities - B	(3376.32)	(2750.72)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Issue of Equity capital	400.00	-
	Proceeds from borrowings(net)	2009.79	456.05
	Proceeds/(Repayment) of share application money	(400.00)	1012.53
	Financial Expenses	(265.36)	(374.63)
	Net cash from financing activities - C	1744.43	1093.95
	Net increase / decrease in cash and cash equivalents (A+B+C)	(1.12)	(23.36)
	Cash and cash equivalents at the beginning of the year	27.64	51.00
	Cash and cash equivalents at the end of the year	26.52	27.64

Annexure IV

Notes to Restated Summary Statement of Assets & Liabilities, Profit & Loss Account as restated, for Goodwill Hospital & Research Center Limited

4. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

The financial statements have been prepared to comply in all material respects in accordance with the Notified Accounting Standards by Companies (Accounting standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis (except in case of assets for which impairment is made and revaluation is carried out, if any). The accounting policies have been consistently applied by the company and are consistent with those used in previous years.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles required management to make estimates and assumptions the effect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of the purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

d. Depreciation and Amortisation

- iv) Leasehold hold land is amortised over the initial period of lease or useful life of asset whichever is shorter.
- v) Depreciation on all other fixed assets is provided using Written Down value method as per rates specified in Schedule XIV to the Companies Act, 1956 on prorata basis.
- vi) Individual Assets not exceeding Rs. 5000 are depreciated fully in the year of purchase.

e. Investments

The investments are classified as Long-Term Investments and Current Investments. Investments, which are intended to be held for one year or more, are classified as Long Term Investments and investments, which are intended to be held for less than one year, are classified as Current Investments. Long-term investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for. Current Investments are valued at cost or market price whichever is lower. The company has invested in the shares of other companies, being in the nature of Long Term Investments and has accordingly have been valued at Cost price. The reduction in prices, if of permanent in nature is appropriately adjusted in terms of the Accounting Standard.

f. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

g. Inventories

Medical Consumables, Pharmacy Items, Stores and Spares are valued at lower of cost and net realizable value. Cost is determined on First in First out (FIFO) basis.

h. Revenue recognition

Operating income

Operating Income is recognized as and when the services are rendered /pharmacy items are sold.

i. Miscellaneous Expenditure

Deferred revenue expenditure on account of Sign Board Expenses and staff recruitment expenses have been written off over a period of three years and two years respectively from the year of start of business.

Preliminary Expenditure and Share issue expenses have been written off in equal annual installments over a period of five years.

j. Foreign Currency Transactions

c.) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

d.) Exchange Differences

Exchange differences arising on the long term Foreign currency items are reported as per option given in Notification given by Ministry of Company affairs dt. 31.03.09 wherein exchange difference in so far as they relate to the acquisition of a depreciable asset have been adjusted with the cost of asset and would be depreciated over the balance useful life of asset .

k. Employee benefits (Disclosure under AS-15(Revised))

a.) Contribution to Provident Fund

The Company makes contributions to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. Provident fund is a defined contribution scheme and the contributions are charged to the Profit and Loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

b.) Gratuity

Gratuity liability is defined obligation and is provided for on the basis of an actuarial valuation made at the end of the year using the projected unit credit method.

l. Income Taxes

Current tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of the Income Tax Act, 1961. Deferred Tax Assets are recognised on the basis of reasonable/virtual certainty that sufficient future taxable income will be available against which the same can be realised.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by the way of a credit to the profit and loss account and shown as MAT Credit Entitlement.

m. Earnings per Share

Basic earnings per share is calculated by dividing the net consolidated profit or loss for the year attributable to equity shareholders (after deducting attributable taxes, if any) by weighted average number of equity shares outstanding during the year.

n. Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

o. Principles of Consolidation

- (i) The consolidated financial statement relate to Goodwill Hospital & Research Center Limited (the Company) and its subsidiary together referred to in these financial statements as “The Group”. The consolidated financial statements have been prepared on the following basis:
- The financial statements of the company and its subsidiary have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transaction resulting in unrealized profit or losses.
 - The consolidated financial statements have been prepared using uniform accounting policies for like transaction and other event in similar circumstances and are presented to the extent possible in the same manner as in the company separate financial statements.

- (ii) The subsidiary considered in the consolidated financial Statement is:

Name of Company	Country of Incorporation	%age of voting power held as at	
		30.11.2010	31.03.2010
Ojjus Fidelity Healthcare Private Limited	India	100.00	100.00

5. Notes on Adjustments for Restated Financial Statements**g) Summary**

The reconciliation of Profit after Tax as per Audited Results and the Profit after Tax as per Restated Accounts is presented below in Table – 1. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the profit and loss:

Table-1

Particulars	(Rupees in Lakhs)	
	Eight months period ended on 30.11.2010	For the Financial Year ended on 31.03.2010
Profit after Tax as per Audited Accounts	828.05	274.77
Adjustments for :		
Change in Accounting Policies	-	-
Prior Period Adjustments :		
Operating Expenses	-	0.21
Profit after Tax as restated	828.05	274.98

h) Current Tax and Deferred Tax impact on restatement

The profit and loss account of some years include amounts paid/ provided for or refunded back/written back, in respect of excess or shortfall income tax arising out of self assessments which has now been adjusted in the respective years' tax liability / (asset).

i) Prior Period Adjustments

The profit and loss account of all the financial years included some Prior Period Adjustments relating to the earlier years. The said adjustments have been adjusted in the respective years as is apparent from Table – 1.

j) Material Regroupings

Appropriate adjustments, wherever material, have been made in the Restated Summary Statements of Assets and Liabilities, Profits and losses, wherever required, by a 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 Financials of the Company for the period ended on 30th November, 2010 and the requirements of the guidelines issued by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time. The expenses have been regrouped as Cost of Materials Consumed, Personnel Expenses, Operating Expenses, Selling General & Administrative Expenses, Preliminary Expenses Written off, Financial expenses & Depreciation & Amortization Expenses.

k) Segment Reporting:

No separate segments have, however, been reported as the company does not have more than one Business or Geographical Segments, within the meaning of Accounting Standard – 17, which differ from each other in risk and reward.

l) Dividend

The Company has not declared any Dividend during the periods reported in the Restated Accounts

6. Auditors' Qualifications

There are no Audit qualification on Accounts restated and covered in this report and hence do not require any corrective adjustment in the financial information.

Annexure V

Related Party Relationships pursuant to Accounting Standard-18 for the Financial Year 2009-10 are as follows:

Name of the Party	Relationship
Ojjus Medicare Private Limited	Holding Company of Goodwill Hospital & Research Center Limited
Dr Vandana Bansal	Key Personnel
Dr Ashwani Kumar Bansal	Key Personnel
Mr Harvansh P. Chawla, Director Mr Sandeep Singhanian, Director	Key Personnel
Karina Healthcare Private Limited	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.
K R Chawla & Co.	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.

Transaction with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2009-10

(Rs. in lakhs)

Particulars	Relationship	Transaction	Amount
Karina Healthcare Private Limited	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.	a) Interest b) Loan Given	27.06 57.19
Ojjus Medicare Private Limited	Holding Company of Goodwill Hospital & Research Center Limited	a) Share Application Money Received b) Unsecured Loan Taken	400.00 773.23
K R Chawla & Co.	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.	Unsecured Loan	395.43

Related Party Relationships pursuant to Accounting Standard-18 for the Period Ended November 30, 2010 are as follows:

Name of the Party	Relationship
Ojjus Medicare Private Limited	Holding Company of Goodwill Hospital & Research Center Limited
Mr Harvansh P. Chawla, Director Mr Sandeep Singhanian, Director	Key Personnel
Karina Healthcare Private Limited	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.
K R Chawla & Co.	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.
Mr Aman veer Singh	Key Personnel
Mrs Namrata Chawla	Relative of Key Personnel

Transaction with Related Parties pursuant to Accounting Standard-18 for the Period Ended November 30, 2010

(Rs. in lakhs)

Particulars	Relationship	Transaction	Amount
K R Chawla & Co.	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.	Unsecured Loan	90.31
Mrs. Namrata Chawla	Relative of Key Personnel	Unsecured Loan	21.07
Mr. Aman Veer Singh	Key Personnel	Professional charges	9.00

Particulars	Relationship	Transaction	Amount
Karina Healthcare Private Limited	Enterprise Owned or Significantly influenced by Key Management Personnel or their relatives.	a) Interest b) Loan Given	13.30 42.79
Ojjus Medicare Private Limited	Holding Company of Goodwill Hospital & Research Center Limited	a) Share Application Money converted into Share capital b) Unsecured Loan Taken	400.00 201.04

Annexure VI**Details of Sundry Debtors, as restated**

(Rupees in Lakhs)

Particulars	For eight months Period Ended on 30.11.2010	For the Financial Year ended on 31.03.2010
Unsecured Considered Good		
-Less than Six Months*	264.23	37.93
-More than Six Months*	34.29	16.62
Total	298.52	54.55

(*) It does not include any debtors which are related to the Directors or Promoters or Directors of the Promoters

Annexure VII**Details of Loans & Advances, as restated**

(Rupees in Lakhs)

Particulars	For eight months Period Ended on 30.11.2010	For the Financial Year ended on 31.03.2010
Advances recoverable in cash or kind or for value to be received	4,542.94*	4,458.22**
Security Deposit	11.97	12.97
Mat Credit Entitlement	105.20	105.20
Advance Tax & TDS	20.86	9.98
Total	4,680.97	4,586.37

(*) Includes an amount of Rs. 109.86 receivable from Karina Healthcare Private Limited.

(**) Includes an amount of Rs. 67.07 receivable from Karina Healthcare Private Limited.

Annexure VIII

Details of Secured Loan, as restated

(Rupees in Lakhs)		
Particulars	For eight months period ended on 30.11.2010	For the Financial Year ended on 31.03.2010
Bank of India (Term Loan)	3,804.26	1,943.47
HSH Nord Bank, Denmark (ECB Loan)	1,865.56	2,103.88
Bank of India (Working Capital Loan)	177.61	103.14
Total	5,847.43	4,150.49

Outstanding as on November 30, 2010

(Rupees in Lakhs)					
Name of the Bank (Nature of Loan)	Amount Sanctioned	Outstanding as on 30.11.2010	Rate of Interest	Securities Offered	Repayment Terms
Bank of India (Term Loan)	Term Loan I -2000 Lakhs Term Loan II- 240 Lakhs Term Loan III- 1875 Lakhs Term Loan IV- 625 Lakhs	1545.14 80.00 1754.12 425.00	Term Loan I & II- BPLR+ 0.25% i.e. 13.50% p.a. Interest payable monthly. Presently Base Rate +4% i.e. 12.00% p.a. Interest payable monthly Term Loan III & IV- Base Rate+4.0% i.e. presently 12.00% p.a. Interest payable monthly	(i) Hypothecation of Hospital Equipments (present & Future except Gamma Knife) (ii) Equitable Mortgage of Hospital Land & Building situated at D-141(A & B), Sector-40, Noida-201301, U.P in the name of the company (iii) Personal Guarantee of Mr. Harvansh Prem Chawla and corporate guarantee of Ojus Medicare Private Limited	Term Loan-I Repayable in 22 Quarterly Installments of Rs 90.91 Lacs commencing from 01.10.2009 Term Loan-II Repayable in 15 Quarterly Installments of Rs 16.00 Lacs commencing from 01.08.2008 Term Loan-III Repayable in 24 Quarterly Installments, first 12 installments of Rs 55.00 Lacs each commencing from 01.07.2011, next 11 installments of Rs 100.00 Lacs and last installments of Rs 115.00 Lacs Term Loan-IV Repayable in 24 Quarterly Installments, first 12 installments of Rs 20.00 Lacs each commencing from 01.07.2011, next 11 installments of Rs 30.00 Lacs and last installments of Rs 55.00 Lacs
HSH Nord Bank, Denmark (ECB Loan)	2184.50	1865.56	6 months Euribor +1.50 p.a	Hypothecation of Gamma Knife Equipment	10 equal half yearly installments of Euro 0.34 million commencing from 22.02.2010
Bank of India (Working Capital Loan)	300.00	177.61	BPLR+0.50%, presently Base Rate+4.25% i.e. 12.25% p.a. with monthly rests.	Hypothecation of Stock of Medicines, consumables & Book Debts/ Receivables	Not Applicable

Annexure IX**Details of Unsecured Loan, as restated**

(Rs. in Lakhs)

Particulars	For eight months Period Ended on 30.11.2010	For the Financial Year ended on 31.03.2010
K R Chawla & Co.*	1,468.74	1,378.41
Namrata Chawla*	21.07	-
Ojjus Medicare Pvt. Ltd.* (Formerly H N Healthcare Private Limited)	5,145.82	4,944.80
H T Reacon Private Limited*	166.00	166.00
Total	6,801.63	6,489.21

(*) Terms of Unsecured Loan (For Loan given to Goodwill Hospital & Research Center Limited):- Loan will be repayable only after repayment of Term Loan from Bank of India and no interest will be provided during the tenure of above unsecured loans. For details of unsecured given to Goodwill Hospital & Research Center Limited, please refer to our report dated January 17, 2011 on the restated standalone financial statements for the eight months period ended November 30, 2010 & financial years ended March 31, 2010, 2009, 2008, 2007 and 2006.

Terms of Unsecured Loan (For Loan given to Ojjus Fidelity Healthcare Private Limited):- Loan will be repayable on demand and no interest will be provided during the tenure of above unsecured loans.

Annexure X**Details of Contingent Liabilities, as restated**

(Rs. in Lakhs)

Particulars	For eight months Period Ended on 30.11.2010	For the Financial Year ended on 31.03.2010
	Nil	Nil

Annexure XI**Details of Other Income, as restated**

(Rs. in Lakhs)

Particulars	For eight months Period Ended on 30.11.2010	For the Financial Year ended on 31.03.2010
Misc. Receipts	1.59	1.23
Interest Income	-	0.10
Total	1.59	1.33

Annexure XII

Statement of Accounting Ratios

Particulars	For eight months Period Ended on 30.11.2010	For the Financial Year ended 31.03.2010
Net Worth (Rs. in Lakhs)	2,552.10	1,324.05
Restated Earnings Attributable to Equity Share Holders (Rs. in Lakhs)	828.05	274.98
No. of Equity Shares outstanding at the end of Specified Period	90,00,000	50,00,000
Weighted No. Of Equity Shares outstanding during the Specified Period	74,93,827	50,00,000
Earning Per Share (EPS) (Face value of Rs. 10/- Each)		
Basic And Diluted Earnings Per Share (Rs.)	11.05	5.50
Return on Net Worth (%)	32.45	20.77
Net Assets Value per share of Rs. 10/- each (Rs.)	28.36	26.48

Formula:

Earning Per Share (Rs.) = Restated Earnings Attributable to Equity Share Holders / Weighted No. of Equity Shares

Net Asset Value (Rs.) = Net Worth / No. of Equity Shares

Return on Net Worth (%) = Restated Earnings Attributable to Equity Share Holders / Net Worth

Annexure XIII

Capitalisation Statement

(Rs. in lakhs)

Particulars	Pre Issue as at 30.11.2010	Post Issue*
Borrowings		
Secured Loans	5,847.43	
Unsecured Loans	6,801.63	
Total Borrowings	12,649.06	
Less :Short term Debts	755.25	
Total Long Term Borrowings	11,893.81	
Shareholders' Funds		
Equity Share Capital	900.00	
Reserve & Surplus		
Profit & Loss Account	1,224.45	
Securities Premium	427.65	
Miscellaneous Expenditure	-	
Total Shareholders' Funds	2,552.10	
Long Term Debt / Equity Ratio	4.66	
Total Debt / Equity Ratio	4.96	

Note: Short Term Debts are debts maturing within next one year.

(*) Figures will be updated at the time of filling of prospectus with ROC.

Annexure XIV

Computation of Deferred Tax Asset / Liability

Particulars	(Rs. in lakhs)	
	For Eight Months Period Ended on 30.11.2010	For the Financial Year ended on 31.03.2010
Timing Differences		
WDV as per Companies Act, 1956	6,896.73	5,670.82
WDV as per Income Tax Act, 1961	5,105.62	4,506.48
Other differences	-	-
Total Timing difference	1,791.11	1,164.34
Effective Tax Rates (%)	33.22%	33.99%
Tax on Timing Differences	594.96	395.76
Deferred Tax Liability/(Asset)	594.96	395.76

FINANCIAL INDEBTEDNESS

The principal terms of loans and assets charged as security as on November 30, 2010 are as under:

(Rs. in lakhs)

Name of the Bank (Nature of Loan)	Amount Sanctioned	Outstanding as on 30.11.2010	Rate of Interest	Securities Offered	Repayment Terms
Bank of India (Term Loan)	Term Loan I -2000 Lakhs	1545.14	Term Loan I & II- BPLR+ 0.25% i.e.	(i) Hypothecation of Hospital Equipments	Term Loan-I Repayable in 22 Quarterly Installments of Rs 90.91 Lacs commencing from 01.10.2009
	Term Loan II- 240 Lakhs	80.00	13.50% p.a. Interest payable monthly.	(present & Future except Gamma Knife)	Term Loan-II Repayable in 15 Quarterly Installments of Rs 16.00 Lacs commencing from 01.10.2009
	Term Loan III- 1875 Lakhs	1754.12	Presently Base Rate +4% i.e. 12.00% p.a. Interest payable monthly	(ii) Equitable Mortgage of Hospital Land & Building situated at D-141(A & B), Sector-40, Noida-201301, U.P in the name of the company	Term Loan-III Repayable in 24 Quarterly Installments, first 12 installments of Rs 55.00 Lacs each commencing from 01.07.2011, next 11 installments of Rs 100.00 Lacs and last installments of Rs 115.00 Lacs
	Term Loan IV- 625 Lakhs	425.00	Term Loan III & IV- Base Rate+4.0% i.e. presently 12.00% p.a. Interest payable monthly	(iii) Personal Guarantee of Mr. Harvansh Prem Chawla and corporate guarantee of Ojjus Medicare Private Limited	Term Loan-IV Repayable in 24 Quarterly Installments, first 12 installments of Rs 20.00 Lacs each commencing from 01.07.2011, next 11 installments of Rs 30.00 Lacs and last installments of Rs 55.00 Lacs
HSH Nord Bank, Denmark (ECB Loan)	2184.50	1865.56	6 months Euribor +1.50 p.a	Hypothecation of Gamma Knife Equipment	10 equal half yearly installments of Euro 0.34 million commencing from 22.02.2010
Bank of India (Working Capital Loan)	300.00	177.61	BPLR+0.50%, presently Base Rate+4.25% i.e. 12.25% p.a. with monthly rests.	Hypothecation of Stock of Medicines, consumables & Book Debts/ Receivables	Not Applicable

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

You should read the following discussion of our financial condition and results of operations together with our audited restated financial statements under Indian GAAP including the schedules, annexure and notes thereto and the reports thereon, which appear under "Financial Statements" in this Draft Red Herring Prospectus on page 86. You are also advised to read the Section titled "Risk Factors" on page (x) of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition, results of operations and cash flows. Unless otherwise stated, the financial information used in this Section is derived from our audited standalone financial statements under Indian GAAP, as restated. Our financial year ends on March 31 of each year, so all references to a particular financial year are to the 12-month period ended March 31 of that year.

Overview

We are engaged in running a multi specialty hospital at Noida under the brand Ojjus Medicare, with a super specialty focus on core areas such as Neurology and Neuro surgery, Cardiology and Cardiac surgery and Orthopaedics with emphasis on Joint Replacements and Sports Injuries. We also provide healthcare services in area of Minimally Invasive surgeries, Mother & Child Care, Paediatrics, Diagnostic, Critical Care Medicine, Oncology, Gynaecology & Obstetrics, Nephrology, Dermatology, Gastroenterology, Dental and Eye care, etc.

We are committed to delivering quality healthcare services to our patients in modern facilities using advanced technology with a team of qualified and experienced healthcare professionals. Our hospital is a state-of-art multi-specialty hospital providing a depth of expertise in complete spectrum of advanced medical and surgical interventions with a comprehensive mix of in-patient and out-patient services. We provide all facility under one roof like – 24 Hour Emergency, Out Patient Department, Complete Diagnostics, Modular OTs, Cathlab, Perfexion Gamma Knife, Dialysis Centre, Cardiac Ambulances for patient transportation, 24 Hour Pharmacy, Cashless facility for Insured patients, Specialized clinics, Preventive Health Checks etc. Our hospital has 220 beds, Surgical ICU and Medical ICU, four state-of-the-art Operation Theatres and state-of-the-art Imaging facility with automatic laboratory support. A special feature of our hospital is the availability of state-of-the-art equipments and trained medical personnel required for managing critically ill patients.

We have installed "Perfexion" Gamma Knife Machine for non invasive treatment of brain tumors, vascular malformations and functional diseases like parkinson's disease, trigeminal neuralgia and psychiatric disorders using highly précised focused gamma rays. We are amongst few private centres in South and South East Asia to install Prefexion Gamma Knife. Leksell Perfexion Gamma Knife machine is the 5th generation machine, which uses robotic technology to deliver precise radiation to intracranial and cervical spine lesions and to treat functional disorders.

We were established in 2000 in Noida to provide treatment for regular ailments at a lower scale of operations. In December 2007, our management was taken over by Ojjus Medicare Private Limited, the present promoter and our operations were reorganized to create a multi specialty hospital. Our hospital is on the panel of various government and large organizations for treatment of their employees.

For the eight month period ended November 30, 2010 we performed over 106 neuro and spine surgeries, 189 cardiac, orthopedic & general surgeries and 54 interventional cardiac / neuro procedures.as against 86 neuro and spine surgeries, 221 cardiac, orthopedic & general surgies and 41 interventional cardiac/neuro procedures in the year ended 2009-10. Further for the eight months period ended November 30, 2010, the average occupancy rate for our hospital was approximately 60% as against 55% in the year 2009-10.

Speciality Services by our Hospital

Our hospital is located in Sector 40 at Noida on a plot of land owned by us and measuring 1,999 square meters with constructed area of approximately 50,000 sq ft. The area is fully developed and well connected

with surface transport and is near metro station. The hospital building consists of five floors and basement housing various facilities for rendering health care services to the indoor and outdoor patients. The hospital is managed by a team of medical professionals under the supervision of Mrs. Namrata Chawla, our Managing Director. We also engage prominent medical specialist as consultants to provide their services.

The following are some of the specialty procedures performed at our hospital:

- Neurology and Neuro Surgeries
- Cardiac Care
- Orthopaedics & Joint Replacement Centre
- Nephrology
- Minimally Invasive Surgery/Micro-Surgical Techniques
- Mother and Child Care
- Critical Care
- Diagnostics
- Emergency and Trauma Centre
- Preventive Healthcare

Our Competitive Strengths

We believe our competitive strengths are in providing complete Neuro and Cardiac care under one roof backed up by the most advanced in house Diagnostic centre. The critical care facility comprising of state of the art life support equipment with highly experienced medical and non medical team is a strong support and confidence to the treating Consultants and to the patient and their attendants. Such set up enables us to treat patients of any critical illness related to the brain and heart in the best possible manner and pull out most of the critically ill patients.

- Experienced Team of Skilled doctors

As of November 30, 2010, we had a team of 27 full time doctors complemented by 84 nurses and 27 other medical personnel. We adhere to international clinical protocols in patient handling, operating theaters, intensive care unit management and emergency care set by leading international hospitals and accreditation bodies. In addition we also engage prominent specialist in various field of medical sciences as consultants who provide their services regularly and are also in demand amongst patients. In addition, medical professionals at our rolls and / or engaged by us as consultants are dedicated to clinical research and have published studies on topics including neurology and neuro-surgery cardiology, cardiac surgery etc. Some of our doctors also have a history of pioneering innovative techniques for patient treatment, such as prefexion gamma knife machine treatment and minimally invasive cardiac and orthopedic surgeries. Most of the doctors engaged by us have received advanced training at leading hospitals in India and overseas.

- **Quality patient care**

Our hospital has been designed to ensure that we are able to offer quality care to our patients. The layouts at our facilities minimize inpatient movement, with outpatient facilities located within the hospital. Other characteristics of many of our facilities, such as attractive architectural and design features, the use of special lighting and color and the reduction of “hospital odors”, also enhance the patient experience. Our hospital staff is trained to care for patients with techniques utilized in the hospitality industry, which, together with the design of our facilities, helps relieve patient anxiety and provide a more comfortable experience for patients. In addition, we focus on obtaining current technologies for providing healthcare services.

We are in the process of NABL and NABH Certification. The manual containing the policies, process details, quality system details, etc. has been submitted to the quality council for observations of respective authorities.

- **Specialty focus**

We focus on neurology along with other clinical areas such as cardiology and cardiac surgery, orthopedics, urology and nephrology and critical care. We have installed “Perfexion” Gamma Knife Machine for the treatments of brain tumor. We are amongst the few hospitals in South and South East Asia to have this

facility. We are investing significantly in the technology, equipment and infrastructure required to perform the most advanced procedures and to strengthen our specialty focus.

Our Hospital

The following table sets forth certain key operating details of Goodwill Hospital and Research Centre for the eight months period ended November 30, 2010 and fiscal year ended March 31, 2010

Particulars	Eight months period ended November 30, 2010	Fiscal year ended March 31, 2010
Number of Beds	220	140
Average Inpatient Admissions per day	21	16
Outpatient Registrations (nos)	42,500	57,000
Average Occupancy Rate (%)	60	55
Average Length of Stay (days)	3-4	4
Average Income per Bed in use per day (Rs. lakhs)	0.075	0.07
Number of Major Procedures:		
- Neuro and spine surgeries	106	86
- Cardiac, orthopedic & general surgeries	189	221
- interventional cardiac/neuro procedures	54	41

Break up of Operating Income:

(Rs in lakhs)

Particulars	Eight months period ended November 30, 2010	Fiscal year ended March 31, 2010
Operation Theatre Charges	582.40	416.50
Pharmacy sale	83.12	90.15
Room Rents	447.26	337.26
Consultancy Receipts	445.40	340.42
Lab receipts	488.20	347.67
Other Receipts including Gamma Knife procedures	933.67	757.67
Total Sales	2,980.05	2,289.67

Technology

We have consistently invested in medical technology and equipment so as to offer a high quality of healthcare services to our patients. Sophisticated medical equipment at our facility is used to ensure that we are able to provide advanced healthcare procedures to our patients.

Some of the key equipment used at our hospital is listed below:

- **Neuro-sciences:** Perfexion Gamma Knife, operating microscope, operating tables, OT Lights and C-Arms, 3D cathlab with large display for neurological interventions like DSA, coiling
- **Radiology and Imaging:** 64 Slice high end CT (Computed Tomography) scanners, magnetic resonance imaging (MRI) equipment, Digital X-ray machines
- **Cardiac Care:** 3D Cathlab for interventional procedures, Intra aortic balloon pump, pulmonary function test machines, Echo/4 D Color doppler, stress test machines, Holter system, heart lung machine for cardiac surgery back up.
- **Orthopedics:** Instrumentation and operation tables and Physiotherapy set up for rehabilitation
- **Pathology Laboratory** Fully automated meters, analysers, ABG, ovens, centrifugals
- **Diabetology:** foot pressure measurement systems, body analyzer systems and blood glucose analysis systems
- **Mother and Child Care:** equipment for labor, delivery and recovery in beds
- **Critical Care:** dialysis machines, modular patient monitors, ventilators Invasive and non-invasive, defibrillators, DVT pumps, Patient warming system for cardiac surgery patients, Alpha beds, syringe and infusion pumps supported by a facility for central monitoring and control
- **Emergency** Advanced life support ambulances with emergency equipment such as transport monitors, ventilators and defibrillators

Discussions on Result of Operations

(Rs. in lakhs)

Particulars	For eight months period ended on 30.11.2010	For the financial years ended							
		31.03.2010		31.03.2009		31.03.2008		31.03.2007	
	Amount	Amount	%age	Amount	%age	Amount	%age	Amount	%age
Income									
Operating Income	2,980.05	2,289.67	99.94%	1,046.05	99.94%	548.95	99.91%	360.05	99.29%
Other income	1.59	1.33	0.06%	0.58	0.06%	0.49	0.09%	2.56	0.71%
Total Income	2,981.64	2,291.00	100.00%	1,046.63	100.00%	549.44	100.00%	362.61	100.00%
Expenditure									
Cost of materials consumed	179.09	96.58	4.22%	110.62	10.57%	91.24	16.61%	53.51	14.76%
Personnel Expenses	148.98	160.23	6.99%	112.43	10.74%	90.77	16.52%	34.32	9.46%
Operating Expenses	284.70	257.53	11.24%	238.29	22.77%	203.21	36.98%	135.47	37.36%
Selling, General & Administrative Expenses	272.60	64.10	2.80%	39.69	3.79%	31.27	5.69%	41.17	11.35%
Preliminary Expenses written off	-	0.35	0.02%	0.85	0.08%	0.85	0.15%	0.85	0.23%
Total Expenditure	885.37	578.79	25.26%	501.88	47.95%	417.34	75.96%	265.32	73.17%
Net Profit before Interest, Depreciation, Taxation and extraordinary items	2,096.27	1,712.21	74.74%	544.75	52.05%	132.10	24.04%	97.29	26.83%
Financial Expenses	265.35	374.63	16.35%	51.85	4.95%	37.13	6.76%	38.73	10.68%
Depreciation & Amortisation	575.07	781.00	34.09%	110.05	10.51%	54.00	9.83%	56.19	15.50%
Net Profit before Taxation & extraordinary items	1,255.85	556.58	24.29%	382.85	36.58%	40.97	7.46%	2.37	0.65%
Extraordinary items (net of tax)	-	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Net profit before Taxation	1,255.85	556.58	24.29%	382.85	36.58%	40.97	7.46%	2.37	0.65%
Provision for:-									
Current Tax	225.00	105.20	4.59%	40.80	3.90%	1.96	0.36%	-	0.00%
Fringe Benefit Tax	-	-	0.00%	0.79	0.08%	0.54	0.10%	0.41	0.11%
Deferred Tax	199.21	281.60	12.29%	123.41	11.79%	29.06	5.29%	1.04	0.29%
Mat Credit	-	-105.20	-4.59%	-	0.00%	-	0.00%	-	0.00%
Total	424.21	281.60	12.29%	165.00	15.76%	31.56	5.74%	1.45	0.40%
Net profit after taxation	831.64	274.98	12.00%	217.85	20.81%	9.41	1.71%	0.92	0.25%

Results of Operations for eight month period ended November 30, 2010

- Our operating income comprises of pharmacy sale, room rents, consultancy receipts, operation theatre charges, lab receipts and other receipts including gamma knife procedures. Our operating income for the eight month period ending November 30, 2010 was Rs. 2,980.05 lakhs. During the year the Company has increased bed capacity from 140 (as at March 31, 2010) to 220 (as at November 30, 2010) which resulted in increased volumes of inpatient admissions in our hospital and higher operating income. Also during the said period of eight months, the average occupancy rate increased from 55% to 60% approximately.
- During the above mentioned period our total expenditure as a percentage of total revenue stood at 29.69% (Rs. 885.37 lakhs).
- Profit after tax during the eight month period ended November 30, 2010 was Rs. 844.93 lakhs representing 28.34% of the total income as a result of increase of business operations.

Comparison of Financial Year 2009-10 with Financial Year 2008-09.

Income

Our operating income increased from Rs. 1046.05 lakhs during the financial year 2008-09 to Rs. 2289.67 lakhs for the financial year 2009-10, registering a growth of 118.89%. This substantial increase in business was due to increased bed capacity, increased inpatient admissions in our hospital and commencement of treatment using Perfexion Gamma Knife machine for non invasive treatment of brain tumors, vascular malformations and functional diseases like parkinson's disease, trigeminal neuralgia and psychiatric disorders using highly précised focused gamma rays.

Other income

Other income of business increased marginally from Rs. 0.58 lakhs during the financial year 2008-09 to Rs. 1.33 lakhs during the financial year 2009-10.

Cost of Material Consumed

Cost of material consumed decreased from 10.57% of the total income in financial year 2008-09 to 4.22% of the total income in financial year 2009-10. In absolute terms, the same decreased from Rs. 110.62 lakhs in financial year 2008-09 to Rs. 96.58 lakhs in financial year 2009-10. The decrease was mainly due to decrease in use of consumables and increased use of high end machines.

Personnel Expenses

Personnel Expenses has decreased from 10.74% of the total income in financial year 2008-09 to 6.99% of the total income in financial year 2009-10. In absolute terms it increased from Rs. 112.43 lakhs in the financial year 2008-09 to Rs. 160.23 lakhs in the financial year 2009-10. The personnel expenses decreased as a percentage to total income as a result of higher level of business operations.

Operating Expenses

Operating Expenses has decreased from 22.77% of the total income in financial year 2008-09 to 11.24% of the total income in financial year 2009-10 as a result of growth of inpatients during the year. In absolute terms it increased from Rs. 238.29 lakhs in the financial year 2008-09 to Rs. 257.53 lakhs in the financial year 2009-10.

Selling, General & Administrative Expenses

Selling, General & Administrative Expenses has decreased from 3.79% of the total income in financial year 2008-09 to 2.80% of the total income in financial year 2009-10. The decrease was due to higher operating income of the Company. In absolute terms it increased from Rs. 39.69 lakhs in financial year 2008-09 to Rs. 64.10 lakhs in financial year 2009-10.

Financial Expenses

Financial Expenses increased from 4.95% of the total income in financial year 2008-09 to 16.35% of the total income in financial year 2009-10. In absolute terms it increased from Rs. 51.85 lakhs in financial year

2008-09 to Rs. 374.63 lakhs in financial year 2009-10 because of increase in bank borrowings by the Company. The Company has availed loans for purchase of advanced medical equipments.

Depreciation and Amortisation

Depreciation and Amortisation increased from 10.51% of the total income in financial year 2008-09 to 34.09% of the total income in financial year 2009-10. In absolute terms it increased from Rs. 110.05 lakhs in financial year 2008-09 to Rs. 781.00 lakhs in financial year 2009-10 as a result of depreciation on new medical equipments purchased by the Company, including Gamma Knife procedures which was put to use in the financial year 2008-09.

Tax

Total tax liability decreased from 15.76% of the total income in financial year 2008-09 to 12.29% of the total income in financial year 2009-10. In absolute terms it increased from Rs. 165.00 lakhs in financial year 2008-09 to Rs. 281.60 lakhs in financial year 2009-10. The tax liability decreased due MAT (Minimum Alternate Tax) credit available with the Company. Further the deferred tax amount increased from Rs. 123.41 lakhs in financial year 2008-09 to Rs. 281.60 lakhs in financial year 2009-10 as a result of higher depreciation.

Profit after Tax

Profit after tax has decreased from 20.81% of the total income in financial year 2008-09 to 12.00% of the total income in financial year 2009-10 due to higher financial expenses and depreciation. However, in absolute terms it increased from Rs. 217.85 lakhs in financial year 2008-09 to Rs. 274.98 lakhs in financial year 2009-10.

Comparison of Financial Year 2008-09 with Financial Year 2007-08.

Income

Our operating income increased from Rs. 548.95 lakhs in financial year 2007-08 to Rs. 1046.05 lakhs in financial year 2008-09, registering a growth of 90.55% as a result of increased bed capacity and increased volumes of inpatient admissions in our hospital. Further the control and management of the Company was taken over by the present promoters of our Company, who actively involved them towards business development of our Company.

Other income

Our other income increased marginally from Rs. 0.49 lakhs in financial year 2007-08 to Rs. 0.58 lakhs in financial year 2008-09.

Cost of Material Consumed

Cost of material consumed decreased from 16.61% of the total income in financial year 2007-08 to 10.57% of the total income in financial year 2008-09 due to decrease in use of consumables and we had started to use high end medical equipments & machines. In absolute terms, the same increased from Rs. 91.24 lakhs in financial year 2007-08 to Rs. 110.62 lakhs in financial year 2008-09.

Personnel Expenses

Personnel Expenses has decreased from 16.52% of the total income in financial year 2007-08 to 10.74% of the total income in financial year 2008-09 since we had started to expand our business operation. In absolute terms it increased from Rs. 90.77 lakhs in the financial year 2007-08 to Rs. 112.43 lakhs in the financial year 2008-09 as a result of general increase in employee's salaries, recruitment of additional employees due to expansion of bed capacity at our hospital.

Operating Expenses

Operating expenses has decreased from 36.98% of the total income in financial year 2007-08 to 22.77% of the total income in financial year 2008-09 as a result of increase in inpatients admissions in our hospital. In absolute terms it increased from Rs. 203.21 lakhs in the financial year 2007-08 to Rs. 238.29 lakhs in the financial year 2008-09.

Selling, General & Administrative Expenses

Selling, general & administrative expenses reduced from 5.69% of the total income in financial year 2007-08 to 3.79% of the total income in financial year 2008-09 as a result of increase in inpatients admissions in our hospital. In absolute terms, it increased from Rs. 31.27 lakhs in financial year 2007-08 to Rs. 39.69 lakhs in financial year 2008-09.

Financial Expenses

Financial Expenses decreased from 6.76% of the total income in financial year 2007-08 to 4.95% of the total income in financial year 2008-09. In absolute terms it increased from Rs. 37.13 lakhs in financial year 2007-08 to Rs. 51.85 lakhs in financial year 2008-09 as a result of term loan and external commercial borrowings availed by the Company for purchase of advanced medical equipments and machines. However finance expenses have decreased as a percentage of total income as a result of higher operating income and utilization of term loans towards the end of the financial year.

Depreciation and Amortisation

Depreciation and Amortisation increased from 9.83% of the total income in financial year 2007-08 to 10.51% of the total income in financial year 2008-09. In absolute terms it increased from Rs. 54.00 lakhs in financial year 2007-08 to Rs. 110.05 lakhs in financial year 2008-09 as a result of purchased of medical equipments and machines and other fixed assets during the financial year.

Tax

Total tax increased from 5.74% of the total income in financial year 2007-08 to 15.76% of the total income in financial year 2008-09. In absolute terms it increased from Rs. 31.56 lakhs in financial year 2008-09 to Rs. 165.00 lakhs in financial year 2009-10 due to higher profit as a result of increase operation of the Company and increased deferred tax provision.

Profit after Tax

Profit after tax has increased from 1.71% of the total income in financial year 2007-08 to 20.81% of the total income in financial year 2008-09. In absolute terms it increased from Rs. 9.41 lakhs in financial year 2007-08 to Rs. 217.85 lakhs in financial year 2008-09.

Comparison of Financial Year 2007-08 with Financial Year 2006-07.**Income**

Our operating income increased from Rs. 360.05 lakhs during the financial year 2006-07 to Rs. 548.95 lakhs for the financial year 2007-08, registering a growth of 52.46%. The increase in operating income was due to increased volumes of inpatient admissions in our hospital.

Other income

Our other income has decreased marginally from Rs. 2.56 lakhs in financial year 2006-07 to Rs. 0.49 lakhs in financial year 2007-08.

Cost of Material Consumed

Cost of material consumed increased from 14.76% of the total income in financial year 2006-07 to 16.61% of the total income in financial year 2007-08. In absolute terms, the same increased from Rs. 53.51 lakhs in financial year 2006-07 to Rs. 91.24 lakhs in financial year 2007-08. The increase was due to increased volumes of inpatient admission in our hospital.

Personnel Expenses

Personnel Expenses has increased from 9.46% of the total income in financial year 2006-07 to 16.52% of the total income in financial year 2007-08. In absolute terms it increased from Rs. 34.32 lakhs in the financial year 2006-07 to Rs. 90.77 lakhs in the financial year 2007-08 as a result of recruitment of doctors and employees due to increase of our business operations.

Operating Expenses

Operating expenses has decreased marginally from 37.36% of the total income in financial year 2006-07 to 36.98% of the total income in financial year 2007-08. In absolute terms it increased from Rs. 135.47 lakhs in the financial year 2006-07 to Rs. 203.21 lakhs in the financial year 2007-08 as a result of as a result of expansion of our business and overall growth in patient volumes.

Selling, General & Administrative Expenses

Selling, General & Administrative Expenses decreased from 11.35% of the total income in financial year 2006-07 to 5.69% of the total income in financial year 2007-08. In absolute terms, it decreased from Rs. 41.17 lakhs in financial year 2006-07 to Rs. 31.27 lakhs in financial year 2007-08. The decrease in was primarily due to a decline in marketing expenses at our hospital and better utilization of administrative resources.

Financial Expenses

Financial Expenses decreased from 10.68% of the total income in financial year 2006-07 to 6.76% of the total income in financial year 2007-08. In absolute terms it is decreased marginally from Rs. 38.73 lakhs in financial year 2006-07 to Rs. 37.13 lakhs in financial year 2007-08. The decrease in financial expenses was as a result of overall decrease in outstanding loans and repayment of loans during the financial year 2007-08.

Depreciation and Amortisation

Depreciation and Amortisation decreased from 15.50% of the total income in financial year 2006-07 to 9.83% of the total income in the financial year 2007-08. In absolute terms it decreased marginally from Rs. 56.19 lakhs in financial year 2006-07 to Rs. 54.00 lakhs in financial year 2007-08. This decrease in depreciation and amortization in percentage terms was as a result of increased level of business operations.

Tax

Total tax liability increased from 0.40% of the total income in financial year 2006-07 to 5.74% of the total income in financial year 2007-08. In absolute terms it increased from Rs. 1.45 lakhs in financial year 2006-07 to Rs. 31.56 lakhs in financial year 2007-08. The increase in provision for tax was due to higher profit and increased provision for deferred tax.

Profit after Tax

Profit after tax increased from 0.25% of the total income in financial year 2006-07 to 1.71% of the total income in financial year 2007-08. In absolute terms it increased from Rs. 0.92 lakhs in financial year 2006-07 to Rs. 9.41 lakhs in financial year 2007-08.

MATERIAL DEVELOPMENTS SUBSEQUENT TO THE LAST PERIOD FOR WHICH FINANCIAL STATEMENTS HAVE BEEN AUDITED

In the opinion of our Board, there have not arisen since the date of the last financial statements i.e. November 30, 2010, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our material liabilities within the next 12 months.

RELATED PARTY TRANSACTIONS

For details please refer to the discussion in the section titled “Standalone Financial Statements - Related Party Transactions” on page 95 of this Draft Red Herring Prospectus.

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits or criminal or civil prosecutions, proceedings or tax liabilities against our Company (in the name of our Company and / or entities which were acquired by our Company), our Directors, our Promoter, Promoter group companies, Subsidiary and Directors of our Promoter and there are no defaults, non-payment or overdue of statutory dues, institutional/bank dues and dues payable to holders of any debentures, bonds and fixed deposits, other unclaimed liabilities against our Company or Directors or Promoter or Promoter group companies, Subsidiary and Directors of our Promoter and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Directors and our Promoter. Further, except as stated herein, there are no cases of litigations, defaults, etc. in respect of companies/firms/ventures with which the Promoter were associated in the past but are no longer associated, in respect of which the name(s) of the Promoter continues to be associated with those litigation(s).

Civil case - against our Company

1. Civil Suit before the Court of Senior Civil Judge, Patiala House, New Delhi

The present matter is a suit for recovery of an amount of Rs. 1.69 lakhs filed by Maj. Gen S. B. Akali (Retd) against the Company before the Court of Senior Civil Judge, Patiala House, New Delhi on December 09, 2009. In the said suit the Plaintiff had alleged that the Defendant Company had terminated his service abruptly, without giving any notice, on June 29, 2009. It was further alleged by the Plaintiff that the Defendant Company had not complied with the Service Rules which were applicable to him as according to his appointment letter. The Plaintiff had alleged that the Defendants has not paid one month's salary in lieu of the notice and earned leave encashment. The Defendants had replied to the suit filed by the Plaintiff via written statement dated March 23, 2010, wherein the Defendants denied the allegations made by the Plaintiff on the grounds that no cause of action arose in favour of the Plaintiff and the latter had doctored and fabricated the facts and circumstances of the case in his favour.

A replication was filed by the Plaintiff to the written statement of the Defendants on April 19, 2010, to which the Defendants replied on May 24, 2010. Subsequently, a rejoinder was filed by the Plaintiff on August 03, 2010. Further, an application was filed by the Plaintiff under Order XII read with Section 151 C.P.C., whereby the Plaintiff had asked for the documents which have been in the possession or power of the Defendants. The Defendants vide their submissions dated December 04, 2010 prayed for the dismissal of the said application filed by the Plaintiff as an abuse of law and being a mere tactic of the Plaintiff to harass the Defendants.

The next date of hearing in the matter is February 08, 2011 and it is put up for filing of documents and admission denial of the same.

Notices received by Mr. Harvansh Chawla, one of our Director from the Income Tax Department:

1. For the Assessment Year 2007-08

The Assessing Officer vide Notice numbering ADDPC-25599 dated 30.01.2008 had intimated to Mr. Harvansh Chawla (Noticee) that a sum of Rs. 2,313.62 lakhs was payable as tax by him with respect to the assessment year 2007-2008.

An appeal dated 27.01.2009 has been filed before the Commissioner of Income Tax (Appeals) II by Mr. Harvansh Chawla (Appellant) against the said Notice. It was contended by the Appellant that the Ld. Assessing Officer had erred in adding ad hoc disallowance of Rs.1.26 lakhs out of car running and traveling expenses. The Appellant had also stated that the Assessing Officer had erred in adding ad hoc disallowance of Rs. 0.21 lakhs being 1/8th of the telephone expenses of Rs. 1.70 lakhs, which was stated as personal use by the proprietor. Further the Appellant also stated that the Ld. Assessing Officer had erred in adding a sum of Rs. 5,500 lakhs as unexplained income on the basis of the availability of a crossed and an account payee

post dated cheque which had not even been cashed. Lastly, the Appellant contended that the Adjudicating Officer erred in not providing sufficient opportunity of being heard.

The matter is pending before the Commissioner of Income Tax (Appeals) II and the next date of hearing is January 21, 2011.

2. For the Assessment Year 2008-09

A Show Cause Notice dated 25.08.2010, was issued to Mr. Harvansh P. Chawla (Assessee) with relation to the Income Tax return filed by the latter for year 2007-2008. Subsequently, a Notice of Demand dated 30.11.2010 was issued to him by the Assessing Officer, Asstt. Commissioner of Income Tax, Central Circle, New Delhi raising a demand of Rs. 1,787.68 lakhs to be paid within 30 days from the service of the said notice, failing which the latter would be penalized. The Assessee had failed to comply with the aforesaid notices and hence the Asstt. Commissioner of Income Tax, Central Circle – 13, New Delhi further issued a notice dated 30.12.2010 to Mr. Harvansh Chawla under Section 274 read with Section 271 of the Income Tax Act, 1961 fixing a hearing on 18.01.2011.

On 18.01.2011, an appeal under Section 246A of the Income Tax Act, 1961 has been filed by Mr. Harvansh Chawla against the order passed by the Assessing Officer on December 28, 2010. The Appellant has challenged the Order of the Assessing Officer on the grounds that adequate opportunity was not granted to him before passing of the Order and additional charge of Rs. 2,800 lakhs was wrongfully added to the amount payable by the Assessing Officer. Furthermore, the Appellant has stated that the sum of Rs. 1,091.68 lakhs was wrongfully added to unexplained Unsecured Loans.

The matter is pending before the Commissioner of Income Tax (Appeals) II.

3. For the Assessment Year 2009-10

A Show Cause Notice dated 15.03.2010, was issued to Mr. Harvansh P. Chawla (Assessee) regarding the pending assessment proceedings with Ass. Commissioner of Income Tax (ACIT) with respect to the return of income filed by the Assessee for the year 2008-2009, fixing a hearing on 24-03-2010 in Room No.332, ARA Centre, Jhandewalan, New Delhi.

The Assessee had vide letter dated 24.03.2010 requested for adjournment of the matter for any day after 31.03.2010. The Assessee has not received any intimation from the ACIT so far.

Cases - against our Mr. Amanveer Singh, Whole Time Directors

Except as stated herein below, there are no litigation filed against the Directors:

1. Mardan Industrial Corporation v. Commissioner of Central Excise

One of the Directors of the Company, Mr. Amanveer Singh, is a partner in Mardan Industrial Corporation (MIC) which was in receipt of four show cause notices (SCNs) from the Office of Commissioner of Central Excise. Details of the SCNs are given herein below:

1. C.No. CE-20/Demand/Mardan Indl. Corp./R-35/04/2970 dated 26-03-2004 for the period March 1999 to January 2004 wherein the central excise duty of Rs. 49.06lakhs was demanded,
2. C.No. CE-20/Demand/Mardan Indl. Corp./R-35/04/347 dated 01-03-2005 for the period February 2004 to December 2004 wherein central excise duty of Rs. 10.17lakhs was demanded,
3. C.No. CE-20/ Demand/Mardan Indl. Corp./R-35/04/3154 dated 11-09-2006 for the period November 2005 to January 2006 wherein central excise duty of Rs. 4.74 lakhs inclusive of cess was demanded, and
4. C.No. CE-20/ Demand/Mardan Indl. Corp./R-35/04 dated 03-01-2007 for the period February 2006 to March 2006 wherein central excise duty of Rs. 2.52lakhs was demanded.

In the aforesaid SCNs it was alleged that the trademark MARDAN / MARDAN NO.1 did not belong to MIC and therefore MIC was not entitled to avail exemption under small-scale exemption notification.

The SCN C.No.CE-20/Demand/Mardan Indl. Corp./R-35/04/2970 was adjudicated vide Order-in-Original No. 45/2005 issued vide C.No. V(90&87)15/CE/20/2004/3066 dated 27-09-2005 whereby the demand of Rs. 49.06 lakhs was confirmed and an equivalent amount of penalty was imposed under Section 11AC of the Central Excise Act, 1944. Subsequently, MIC preferred an appeal against the Order-in-Original No. 45/2005 before the Commissioner of Central Excise (Appeals). The matter was remanded for fresh adjudication vide Order-in-Appeal No.135-CE/DLH/2006 dated 24-01-2007.

The remanded matter along with the other SCNs were adjudicated vide Order-in-Original No. 35-38/2008 dated 10-12-2008 issued vide C.No. V(CE)-15/381/MIC/08/6948 dated 31-12-2008, whereby the demand of duty amounting to Rs. 66.61 lakhs was confirmed against MIC and an equivalent amount of penalty was imposed.

MIC preferred an appeal against the said order which was dismissed. MIC has filed on September 23, 2010, an fresh appeal numbering E/3045/2010 before the Customs, Excise and Service Tax Appellate Tribunal, R.K. Puram, New Delhi against the Order-in-Appeal No. No. 296/CE/D-II/10 dated 30-06-2010 passed by the Commissioner of Central Excise, Delhi-II Commissionerate, issued vide C.No. 63/CE/APPL/D-II/09 dated 12-07-2010.

The matter was last heard on January 04, 2011 wherein the Hon'ble Tribunal directed MIC to deposit an amount of Rs. 10.00 lakhs within eight weeks from the date of hearing and report compliance on April 11, 2011. The Hon'ble Tribunal has granted stay for the balance amount of duty, interest and penalty.

2. Suit No. 246 of 2000 in the High Court of Delhi

One of the Directors of the Company, Mr. Amanveer Singh, is a partner in Mardan Industrial Corporation (MIC) and the captioned suit was filed by MIC against Late Sr. Upkar Singh (and his legal heirs) seeking to restrain him from the use of trademark 'MARDAN' which was registered in the name of Mardan Industries.

In the said suit, Plaintiff's evidence is complete and now the matter is fixed for Defendant's evidence on April 7, 2011.

3. W.P. (Civil) No. 43813 of 2009 in the High Court of Delhi

The captioned writ petition has been filed on 17.03.2009 by MIC against Union of India & Ors. The petition has been filed under Article 227 of the Constitution of India for issuance of a writ in the nature of certiorari for quashing of the order dated 31.12.2008 passed by the Intellectual Property Appellate Board dismissing the Petitioner's Rectification Applications in ORA 56/2006/TM DEL & 55/2006/TM DEL under sec 57 read with Sec 11, 12, 18 of the Trademark Act.

Vide the rectification application, the Petitioners had sought removal of the trademarks 'MARDAN No. 1' under No. 1087559 dated 15.03.2002 in class 12 & 'MARDAN' under No. 1087560 dated 15.03.2002 in class 12 thereby seeking a rectification of the Register of Trademarks by a direction to the Registrar of Trademarks to expunge or cancel the Respondents (being the brother of Sr. Jagmohan Singh, father of Mr. Amanveer Singh) After the death of Respondent, his legal heirs were substituted as Legal Representatives of the Respondent.

The main plea of the Petitioner is that the late Mr. Jagmohan Singh (father of Mr. Amanveer Singh) had filed 2 applications for registration of trademarks in his individual capacity under the trade name of M/s Mardan Industries. The petition has been admitted by the Hon'ble High Court and the matter will now come up for regular hearing in due course.

MATERIAL DEVELOPMENT

In the opinion of our Board, there have not arisen since the date of the last financial statements i.e. November 30, 2010, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our material liabilities within the next 12 months.

AMOUNT OWED TO SMALL SCALE INDUSTRIAL UNDERTAKINGS

There are no outstanding dues payable to Small scale industries which are more than 30 days old.

GOVERNMENT AND OTHER APPROVALS

The Company has the following licenses, permits and registrations for conducting its business.

(a) Incorporation:

Sr. No.	Authority Granting Approval	Approval / Registration Number	Applicable law	Nature of Approval	Issue on
1	Registrar of Companies, NCT Delhi & Haryana	U74899DL2000PLC106486	Companies Act, 1956	Certificate of Incorporation	June 26, 2000
2	Registrar of Companies, NCT Delhi & Haryana	55-106486	Companies Act, 1956	Certificate of Commencement of Business	July 14, 2000

(b) Tax:

Sr. No.	Authority Granting Approval	Approval / Registration Number	Applicable law	Nature of Approval	Validity
1	Commissioner of Income Tax	AABCG4028Q	Income Tax Act, 1961	PAN	Valid till Cancelled / Surrendered
2	Income Tax Department	DELG05181B	Income Tax Act, 1961	Tax Deduction Account No.	Valid till Cancelled / Surrendered
3	Jt. Director General of Foreign Trade	0502046457	Foreign Trade (Development & Regulation) Act	Certificate of Importer-Exporter Code (IEC)	Valid from October 21, 2002 Valid till Cancelled/surrendered
4	Office of the Superintendent, Service Tax, Range-I, Div-II, Noida	AABCG4028QSD001	Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994	Registration for Service Tax	Valid from July 23, 2010 Valid till Cancelled/surrendered
5	Assistant Commissioner, Sales Tax Department, Uttar Pradesh	ND5349346	Central Sales Tax (Registration and Turnover) Rules, 1957	Registration for Central Sales Tax	Valid from February 15, 2007 Valid till Cancelled/surrendered
6	Department of Commercial Taxes, Uttar Pradesh	09366003393	Uttar Pradesh Value Added Tax Act, 2007	Registration of VAT	Valid from June 05, 2006 Valid till Cancelled/surrendered
7	Chief Commissioner of Income Tax, New Delhi	F. No. CC/Delhi/Hospital /2010-11/10373	Income Tax Act, 1961	Approval under proviso (ii)(b) to Section 17(2)(vi) of the Income Tax Act, 1961	Valid from November 30, 2010 Valid till November 29, 2013

(c) Other Approvals:

Sr. No	Authority Granting Approval	Approval/Registration Number/Letter No.	Applicable law	Nature of Approval	Validity
1	New Okhla Industrial Development Area	NOIDA/B.C./B.P./2 862	-	Completion certificate for the hospital building at D-141 A & B	Approval received on May 24, 2003

Sr. No	Authority Granting Approval	Approval/Registration Number/Letter No.	Applicable law	Nature of Approval	Validity
2	New Okhla Industrial Development Area	NOIDA/B.C./ B. P.-V-226-74/09	-	Completion certificate for expansion of hospital building	Approval received on May 12, 2009
3	New Okhla Industrial Development Area	NOIDA/Sno./92	-	Amalgamation of the two plots i.e. Plot No. D - 141A & 141B	Approval received on December 11, 2001
4	Chief Medical Officer, Gautam Budh Nagar, U.P.	325/GBN/10-10	-	For running multi specialty hospital	Valid till March 31, 2011
5	Chairman, Atomic Energy Regulatory Board	201301.UP.001(A)	-	To operate the Computed Tomography installation	Valid till December 31, 2014
6	Chairman, Atomic Energy Regulatory Board	201301.UP.001(B)	-	To operate the Intervention Radiology (Cath. Lab) installation	Valid till December 31, 2014
7	Radiological Safety Division, Atomic Energy Regulatory Board	AERB/RSD/441/RS D/UP505/2010/9258	-	Appointment of Shri Mohamed Musthafa Abdul Aieez as the Radiological Safety Officer, Level-III in the hospital & research centre	Valid from September 27, 2010 Valid till September 30, 2013
8	Chairman, Atomic Energy Regulatory Board	AERB/445/NOC/GK /RSD/ RT/HN-902/2008/11147	-	For sale, installation and use of the Lekshell Gamma Knife unit Model Perfexion in India	Valid from November 11, 2008
9	Scientific Officer (F), Radiological Safety Division, Atomic Energy Regulatory Board	AERB/RSD/RT/UP5 05/2009/6657	-	To supervise source, transfer, operation of Lekshell Gamma Knife Perfexion Telecobalt Unit during source loading in presence of Shri N. Gopishanker, AIIMS, Delhi	Valid from June 26, 2009
10	Scientific Officer (F), Radiological Safety Division, Atomic Energy Regulatory Board	AERB/RSD/RT/UP5 05/2009/7722	-	Permission for commissioning of Lekshell Gamma Knife Model Perfexion Gamma Knife Unit for the treatment of patients in the hospital	Valid from July 24, 2009
11	Scientific Officer (F), Radiological Safety Division, Atomic Energy Regulatory Board	AERB/RSD/RT/UP5 05/2009/5075	-	Authorization in favour of Dr. Maheep Singh Gaur to procure the radioactive material, Co-60, for the Leksell Gamma Knife Model Perfexion	Valid from May 05, 2009 & valid till May 04, 2010. Since the Company has procured the radioactive material, the authorization is not required to be renewed

Sr. No	Authority Granting Approval	Approval/Registration Number/Letter No.	Applicable law	Nature of Approval	Validity
12	Drug Licencing Authority, Gautam Budh Nagar	50/20/GBN	Drugs & Cosmetic Rules, 1945	To sell, stock or exhibit or offer for sale or distribute by retail the drugs specified in the Schedules C and C(1) [excluding those specified in Sch. X] Drugs & Cosmetic Rules, 1945 and to operate a pharmacy in the premises of the hospital & research centre	Valid from May 05, 2009 and valid till May 04, 2014
13	Drug Licencing Authority, Gautam Budh Nagar	50/21/GBN	Drugs & Cosmetic Rules, 1945	To sell, stock or exhibit or offer for sale or distribute by retail the drugs specified in the Schedules C and C(1) [excluding those specified in Sch. X] of Drugs & Cosmetic Rules, 1945 and to operate a pharmacy in the premises of the hospital & research centre	Valid from May 05, 2009 and valid till May 04, 2014
14	Chief Medical Officer, Gautam Budh Nagar	Registration No. 144	Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994	Registration Certificate for its hospital & research center	Valid from February 2008 valid till March 2013
15	Regional Office, Uttar Pradesh Pollution Control Board.	1650/BMW/4-1/2010	Bio-Medical Waste (Management & Handling) Rules 1998	Authorization on trial basis	Valid from August 11, 2010

(d) Labour Laws

Sl No	Name of Department	Approval / Registration Number/Code	Applicable law	Nature of Approval	Validity
1	EPFO	UP34923	Employees Provident Funds and Miscellaneous Provisions Act 1952	Registration	Valid from December 26, 2004 valid till cancelled/surrendered

(e) Industrial Approvals

Sl No	Authority Granting Approval	Approval / Registration Number/Code	Applicable law	Nature of Approval	Validity
1	Fire and Safety Department, Gautam Budh Nagar	BH-39/CFO/NOC/2009/926	-	NOC form Fire and Safety Department	Valid from August 06, 2010 Valid till August 05, 2011

(f) Electricity Act

Sl No	Authority Granting Approval	Approval/Registration Number	Applicable law	Nature of Approval	Validity
1	Executive Engineer, Electricity Urban Distribution Division II	2149	Electricity Act , 2003	Sanctioned a load of 667 KVA (HV-1)	Valid from June 01, 2009

List of approvals applied for but not yet received:

- Application dated July 06, 2010 submitting the policies required for NABH Accreditation as per the NABH Guidelines to the office of Deputy Director, Quality Council of India. We are awaiting observations from the office of Deputy Director.
- Application made for the NABL accreditation. The Accreditation Officer NABL had issued observations to us on the documents submitted. We have made the necessary changes as per the NABL requirement and replied vide our letter dated December 01, 2010. We are awaiting response from the Accreditation Officer, NABL on the changes submitted by us.
- Application with the U.P. Pollution Control Board for the consent to operate under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 vide our application dated January 11, 2011.
- Application with the U.P. Pollution Control Board for the consent to operate under Section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 vide our application dated January 11, 2011.

Further we have not applied for any regulatory approval required for setting up of diagnostic centre and polyclinics for which the funds are proposed to be raised. The applications for requisite approvals will be made after placing the orders for medical equipments & machineries.

We undertake that the activities proposed by us in view of the present approvals and approvals which have been applied by us, no further approvals from any Government Authorities / RBI are required by us to undertake the proposed activities.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

This Issue has been authorised the Board of Directors and special resolution passed pursuant to section 81(1A) of the Companies Act, at the extra ordinary general meeting of the shareholders of our Company, in their meeting held on December 20, 2010 and December 23, 2010 respectively.

Prohibition by SEBI

Our Company, our Promoter, our Directors, our subsidiary company and companies with which our directors are associated as directors or Promoter, has not been prohibited from accessing the capital market or restrained from buying, selling or dealing in securities under any order or directions passed by SEBI or any other authority. The listing of any securities of our Company has never been refused at anytime by any of the stock exchanges in India.

Further, our Company, our Promoter, their relatives and our Directors have not been declared as willful defaulters by RBI / government authorities and there are no violations of securities laws committed by them in the past and no proceedings are pending against them.

Eligibility for the Issue

We are an unlisted Company incorporated under the Companies Act, 1956. We are eligible for this issue under Regulation 26(1) of the SEBI ICDR Regulations. The summary of our present distributable profits, net worth, net tangible assets and monetary assets based on the restated standalone financial statements are as under:

Particulars	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006
Net Tangible Assets	7375.61	6528.57	558.94	546.31	619.08
Monetary Assets	16.30	8.50	5.03	22.77	27.68
Monetary Assets as a % of Net Tangible Assets	0.22%	0.13%	0.90%	4.17%	4.47%
Distributable Profit	274.98	217.85	9.41	0.92	(75.93)
Net Worth	1324.06	1048.72	280.45	270.20	268.20

1. Net tangible assets is defined as the sum of fixed assets (including work in progress and capital advances and excluding revaluation reserves), investments, current assets (excluding deferred tax assets) less current liabilities.
2. Monetary Assets are defined as the sum of Cash in Hand, Liquid Investments, balance with Scheduled Bank in Current accounts and Fixed Deposits and non-trade investments.
3. Distributable profits have been defined in terms of section 205 of the Companies Act, 1956.
4. Net worth has been defined as the aggregate of equity share capital and reserves, excluding miscellaneous expenditures, if any.

In accordance with the Regulation 26(4) of SEBI ICDR Regulations, we ensure that the number of allottees in the proposed Issue shall be atleast 1,000; otherwise, we shall forthwith refund the entire subscription amount received. In case of delay, if any, in refund, we shall pay interest on the application money at the rate of 15% per annum for the period of delay.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO SEBI.

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, SPA MERCHANT BANKERS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT, WHILE THE ISSUER COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER SPA MERCHANT BANKERS LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 21, 2011 WHICH READS AS FOLLOWS:

1. We have examined various documents including those relating to litigation like commercial disputes, patent disputes, disputes with collaborators, etc. and other material in connection with the finalisation of the Draft Red Herring Prospectus (in case of a book built issue) pertaining to the said issue;
2. On the basis of such examination and the discussions with the issuer, its directors and other officers, other agencies, and independent verification of the statements concerning the objects of the issue, price justification and the contents of the documents and other papers furnished by the issuer, WE CONFIRM that:
 - (a) the Draft Red Herring Prospectus filed with the Board is in conformity with the documents, materials and papers relevant to the issue;
 - (b) all the legal requirements relating to the issue as also the regulations guidelines, instructions, etc. framed/issued by the Board, the Central Government and any other competent authority in this behalf have been duly complied with; and
 - (c) the disclosures made in the Draft Red Herring Prospectus are true, fair and adequate to enable the investors to make a well informed decision as to the investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1956, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable legal requirements.
3. We confirm that besides ourselves, all the intermediaries named in the Draft Red Herring Prospectus are registered with the Board and that till date such registration is valid.
4. We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments. - Noted for compliance
5. We certify that written consent from promoters has been obtained for inclusion of their specified securities as part of promoters' contribution subject to lock-in and the specified securities proposed to form part of promoters' contribution subject to lock-in shall not be disposed / sold / transferred by the promoters during the period starting from the date of filing the Draft Red Herring Prospectus with the Board till the date of commencement of lock-in period as stated in the Draft Red Herring Prospectus.
6. We certify that Regulation 33 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, which relates to specified securities ineligible for computation of promoters contribution, has been duly complied with and appropriate disclosures as to compliance with the said regulation have been made in the Draft Red Herring Prospectus.
7. We undertake that Sub-regulation (4) of Regulation 32 and clause (c) and (d) of Sub-regulation (2) of Regulation 8 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 shall be complied with. We confirm that arrangements have been made to ensure that promoters' contribution shall be received atleast one day before the opening of the issue. We undertake that auditors' certificate to this effect shall be duly submitted to the Board. We further confirm that arrangements have been made to

ensure that promoters' contribution shall be kept in an escrow account with a Scheduled Commercial Bank and shall be released to the issuer along with the proceeds of the public issue. - Not applicable

8. We certify that the proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out until now are valid in terms of the object clause of its Memorandum of Association.
9. We confirm that necessary arrangements have been made to ensure that the moneys received pursuant to the issue are kept in a separate bank account as per the provisions of sub-section (3) of section 73 of the Companies Act, 1956 and that such moneys shall be released by the said bank only after permission is obtained from all the stock exchanges mentioned in the prospectus. We further confirm that the agreement entered into between the Bankers to the Issue and the Issuer specifically contains this condition. - Noted for compliance
10. We certify that a disclosure has been made in the Draft Red Herring Prospectus that the investors shall be given an option to get the shares in demat or physical mode. - Not applicable
11. We certify that all the applicable disclosures mandated in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 have been made in addition to disclosures which, in our view, are fair and adequate to enable the investor to make a well informed decision.
12. We certify that the following disclosures have been made in the Draft Red Herring Prospectus:
 - (a) An undertaking from the issuer that at any given time, there shall be only one denomination for the equity shares of the issuer and
 - (b) An undertaking from the issuer that it shall comply with such disclosure and accounting norms specified by the Board from time to time.
13. We undertake to comply with the regulations pertaining to advertisement in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 while making the issue.
14. We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background of the issuer, situation at which the proposed business stands, the risk factors, promoters experience, etc.
15. We enclose a checklist confirming regulation-wise compliance with the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, containing details such as the regulation number, its text, the status of compliance, page number of the Draft Red Herring Prospectus where the regulation has been complied with and our comments, if any.

THE FILING OF OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 63 OR 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT."

Disclaimer from Our Company & the BRLM

Our Company, our Directors and the BRLM 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 instance of the above mentioned entities and that anyone placing reliance on any other source of information would be doing so at his or her own risk.

Caution

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement dated January 14, 2011 entered into between the BRLM and our Company and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by us, the BRLM and the Underwriters 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 house research or sales reports, at bidding centres or elsewhere.

Disclaimer In Respect of Jurisdiction

This issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission if any), trust registered under the Societies Registration Act, 1860, as amended from time to time or any other trust law and who are authorised under their constitution to hold and invest in shares), permitted insurance companies, pension funds and to NRIs, FIIs, Venture Capital Funds and Foreign Venture Capital Investors registered with SEBI. The Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares and Warrants issued hereby in any other jurisdiction to any person to whom it is unlawful to make an issue or invitation in such jurisdiction. Any person into whose possession the Draft Red Herring Prospectus comes is required to inform himself / herself about and to observe any such restrictions. Any disputes arising out of this issue will be subject to the jurisdiction of appropriate courts at Delhi, 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 the Draft Red Herring Prospectus has been submitted to SEBI for its observations and SEBI has given its observation. Accordingly, the Equity Shares and Warrants represented thereby may not be offered or sold, directly or indirectly, and the 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 the Draft Red Herring Prospectus nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold (i) in the United States to "qualified institutional buyers", as defined in Rule 144A of the Securities Act in reliance on Rule 144A under 233 the Securities Act, and (ii) outside the United States to certain persons in offshore transactions in compliance with Regulation S under the 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 BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause will be incorporated on receipt of in-principal listing approval from BSE.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause will be incorporated on receipt of in-principal listing approval from NSE.

Filing

The Draft Red Herring Prospectus has been filed with SEBI, 5th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi - 110 001.

Listing

Applications have been made to the BSE and NSE for permission to deal in and for an official quotation of our Equity Shares and Warrants. Our existing Equity shares are not listed on any stock exchange in India. BSE shall be the Designated Stock Exchange with which the basis of allotment will be finalized for the QIB, Non- Institutional portion and Retail portion.

If the permissions to deal in and for an official quotation of the Equity Shares and / or Warrants are not granted by any of the Stock Exchanges mentioned above, our company shall forthwith repay, without interest all monies received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within 8 days after our company becomes liable to repay it (i.e. from the Date of Refusal or within 10 working days from the date of Bid/Issue closing date whichever is earlier), then our Company, and every director of our Company who is an officer in default shall, on and from expiry of 8 days, will be jointly and severally liable to repay such application money with interest @15% per annum on application money as prescribed under Section 73 of the Companies Act.

Our Company together with the assistance of the BRLM shall ensure that all steps for the completion of the necessary requirements for listing and commencement of trading at both the Stock Exchanges mentioned above are taken within twelve working days of the Bid / Issue Closing Date.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

“Any person who:

- (a) Makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or*
- (b) Otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name*
shall be punishable with imprisonment for a term which may extend to five years.”

Consents

Consents in writing of (a) our Promoter, Directors, Company Secretary and Compliance Officer, (b) the Auditors, (c) Legal Advisor, (d) Bankers to our Company, (e) Book Running Lead Manager, (f) Registrar to the Issue, (g) Bankers to the Issue, (h) Syndicate Members and (i) IPO Grading Agency to act in their respective capacities, have been obtained and would be filed along with a copy of this Draft Red Herring Prospectus with the RoC, NCT of Delhi & Haryana as required under Sections 60 and 60B of the Companies Act and such consents have not been withdrawn upto the time of delivery of the Draft Red Herring Prospectus for registration with the RoC, NCT of Delhi & Haryana. Consents in writing of the underwriters will be obtained and filed along with the final prospectus and other relevant documents required to be filed under Section 60 of the Companies Act with RoC, NCT of Delhi & Haryana.

Chandiok & Guliani, our Statutory Auditors have also given their written consent for inclusion of their report in the form and context in which it appears on page no. 86 in the Draft Red Herring Prospectus and such consent and report have not been withdrawn upto the time of delivery of a copy of the Red Herring Prospectus for registration with the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Expert Opinion

Except as stated (a) in the section titled “Financial Statements” on page 86, (b) the “Statement of Tax Benefits” appearing on page 36 and (c) the report provided by [●], IPO Grading Agency and given in Annexure on page [●] furnishing the rationale for its IPO Grading, we have not obtained any other expert opinion. Further such opinions / report have not been withdrawn till the date of filing of the Red Herring Prospectus with the Registrar of Companies.

Expenses of the Issue

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertising expenses and listing fees. The estimated Issue expenses are as follows:

Particulars	Amount Rs. lakhs*	% of Issue Size*	% of Issue Expenses*
BRLM / Syndicate member fee	[•]	[•]	[•]
Underwriting & Selling Commission	[•]	[•]	[•]
Advertising & Marketing expenses	[•]	[•]	[•]
Registrar fee	[•]	[•]	[•]
Printing, Stationary, Dispatch	[•]	[•]	[•]
Other expenses (including listing fee, SEBI filing fee, IPO Grading Fees, Legal Counsel fee, Depository charges, Auditor's fee, etc.)	[•]	[•]	[•]
Total	[•]	[•]	[•]

* Will be incorporated after finalisation of the issue price at the time of the Prospectus.

Fees Payable to the BRLM

The fees payable to the BRLM (including underwriting commission and selling commission) for the Issue will be as per the engagement letter from our Company to the BRLM and the Agreement dated January 14, 2011 executed between us and BRLM, copy of which are available for inspection at our registered office.

Fees Payable to the Syndicate Members

The fees payable to the Syndicate Members (including underwriting commission and selling commission) for the Issue will be as per the engagement letter dated from our Company to the Syndicate Members copy of which is available for inspection at our registered office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement between Registrar to the Issue and our company dated January 14, 2011, a copy of which is available for inspection at our Registered Office.

Adequate funds will be provided to the Registrar to the Issue by our Company to enable them to send refund orders or Allotment advice by registered post / under certificate of posting.

Previous Public / Rights Issues

Our Company has not made any public or rights issue of Equity Shares/Debtentures since incorporation.

Issue of Shares otherwise than for Cash

Our Company has not issued any Equity Shares for consideration other than cash since incorporation.

Commission and Brokerage on Previous Equity Issues

Since this is the Initial Public Issue of our Equity Shares, no sum has been paid or is payable as commission and brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our incorporation.

Promises v/s Performance

Neither we, nor any of our Subsidiaries and Promoter Group Companies have made any public issue in past. Hence Promise v/s Performance is not applicable.

Listed Ventures of Promoters

Our promoter does not have any listed ventures.

Outstanding Debenture or Bond Issues

As on the date of filing of this Draft Red Herring Prospectus with SEBI, our Company does not have any outstanding Debentures or Bonds.

Outstanding Preference Shares

As on the date of filing of this Draft Red Herring Prospectus with SEBI, our Company does not have outstanding Preference Shares.

Stock Market Data for Our Equity Shares

This being an initial public offering of the equity shares our Company, the Equity Shares are not listed on any stock exchange and hence no stock market data is available.

Mechanism for Redressal of Investor Grievances

The Memorandum of Understanding between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of atleast one year from the date of closing of this Issue.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details including name, address of the applicant, application number, number of shares applied for, amount paid on application, depository participant, demat account number and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Our Company has constituted a Share Holders Grievances Redressal Committee to look into the redressal of shareholder/ investor complaints such as Issue of duplicate / split / consolidated share certificates, allotment and listing of shares and review of cases for refusal of transfer/transmission of shares and debentures, complaints for non receipt of dividends etc. For further details on this committee, please refer under the head 'Corporate Governance' on page 69 of this Draft Red Herring Prospectus.

Disposal of Investor Grievances

We estimate that the average time required by us or the Registrar to the Issue or the SCSBs in case of ASBA Bidders for the redressal of routine investor grievances shall be 10 days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have appointed Mr. Sandeep Singhania, Executive Director as the Compliance Officer and he may be contacted at the following address in case of any pre-Issue or post-Issue-related problems:

Compliance Officer

Mr. Sandeep Singhania

Executive Director

Goodwill Hospital and Research Centre Limited

705, Kailash Building,

26, Kasturba Gandhi Marg,

New Delhi - 110 001

Tel.: +91 11 2371 1897

Fax: +91 11 2331 9995

Email: ipo@ojjus.org

Website: www.ojjus.org

Changes in Auditors during the last five years

There has been no change in the Statutory Auditors of our Company during the last three years except as under:

Date of change	Previous Auditor	New Auditor	Reason for change
April 06, 2009	Garg B Mohan & Co.	Chandiok & Guliani C - 44, Nizamuddin East, New Delhi - 110 013	Resignation of Auditor

Capitalisation of Reserves or Profits

There has not been any capitalisation of reserves or profits since incorporation.

Revaluation of Assets

There has not been any revaluation of Assets since incorporation.

TERMS OF THE ISSUE

The Equity Shares & Warrants being offered through this Issue are subject to the provisions of the Companies Act, SEBI ICDR Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Bid cum Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares & Warrants shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Principal Terms and conditions of the Issue: Equity Shares

Face Value and Issue Price

The Equity Shares having a face value of Rs. 10/- each are being offered in terms of this Draft Red Herring Prospectus at the Price of [●] per Equity Share at the lower end of the Price Band and [●] per Equity Share at the upper end of the Price Band. The issue price will be determined by the Board of Directors of our Company in consultation with the BRLM on the basis of assessment of market demand for the equity shares offered by way of book building. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Ranking of Equity Shares

The Equity Shares being offered under the Issue and Equity Shares to be allotted pursuant to the exercise of Warrant shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari passu in all respects with the existing Equity Shares including rights in respect to receive dividend. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.

Mode of Payment of Dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act, the SEBI ICDR Regulations and the provisions of the Listing Agreement.

Rights of the Equity Shareholders

Subject to applicable laws the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meeting and exercise voting rights unless prohibited by law;
- Right to vote on poll either personally or by proxy;
- Right to receive offer for rights shares and the allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Subject to applicable laws including RBI Rules and Regulations, right of free transferability of equity shares; and
- Such other rights, as may be available to a shareholder under the Act, terms of the listing agreements with the Stock Exchanges(s) and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to among other things, voting rights, dividend, forfeiture and lien and/or consolidation/splitting, etc., see the section entitled “Main provisions of the Articles of Association” on page 178 of the Draft Red Herring Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares of the Company shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, the trading in the equity shares shall only be in dematerialized form for all investors.

Since trading of the Equity Shares will be in dematerialised mode, the tradable lot is one Equity share. Allocation and allotment of Equity Shares through this issue will be done only in electronic form in multiple of one Equity Share subject to minimum of [●] equity shares to the successful bidders.

Principal terms and conditions of the Issue: Warrants

Exercise of Warrants

For each equity share offered and allotted under this Issue, the allottee will receive one Detachable Warrant convertible into one equity share of our Company upon exercise. The Warrant holder can apply for equity shares of the Company within the Warrant Exercise Period for allotment of underlying equity share of the Company. The Warrants can be freely and separately traded till the same are tendered for exercise. The market lot for warrants is one. No amount is payable for the warrants at the time of allotment of equity shares and warrants.

In the event of any corporate action e.g. bonus, rights, merger, split / consolidation of shares, etc, prior to the exercise of Warrants, the Board shall adjust the number of warrants outstanding in such manner that the value of underlying equity shares (calculated at face value) remains the same after the corporate action. e.g.

No. of Warrants outstanding before bonus, if any, declared	: 100
No. of underlying equity shares (of face value Rs. 10 each)	: 100
Bonus ratio	: 1 (One) : 1 (One)
No. of Warrants outstanding after the bonus	: 200
No. of underlying equity shares (of face value Rs. 10 each)	: 200

For the purpose of this adjustment to the number of warrants pursuant to the corporate action shall be based on global best practices in this area including the procedures followed by the derivatives market in India and abroad shall be considered. Our Board shall determine the adjustment aforesaid, as it deems appropriate to prevent dilution or enlargement of the rights of the Warrant holders.

Exercise of Warrants on the respective Exercise Date(s) will be carried out without the need for the Company to take any further approvals, however the Warrant-holders should independently check if they require any approvals.

The Board, subject to the terms of the Draft Red Herring Prospectus, our Memorandum and Articles of Association, the approvals from the Government of India and RBI and provisions of the Companies Act, any other legislative enactments and rules as may be applicable will proceed to exercise the Warrants in accordance with the applicable laws.

Warrant Exercise Price

The warrant exercise price shall be an amount that is at a discount of 20% to the then prevailing market price of the equity shares of the Company at the time of exercise of warrants.

The “then prevailing market price” shall be the average of the daily closing prices of the equity shares on the stock exchange during the one month period ending immediately on completion of the period of 13 months from the date of allotment of warrants under this Issue. The share price for that stock exchange will be considered in which the highest trading volume in respect of the equity shares of our Company has been recorded during the aforesaid one month period.

The Warrant exercise price would be advertised by us in an English National Daily and one Hindi National Daily with wide circulation (including the place where our Registered Office is situated). The said warrant exercise price shall be advertised within three working days of the beginning of warrant exercise period.

Provided, however, the Warrant Exercise Price, shall at no time be lower than the face value of the underlying equity shares.

Warrant Exercise Period

The period of 30 days commencing from the completion of 13 months from the date of allotment of warrant. Warrant holders can exercise their right to apply for Equity Shares (against the Warrants held by them) at the Warrant Exercise Price at any time during the Warrant Exercise Period. **The Warrants not tendered for exercise during the Warrant Exercise Period along with the Warrant Exercise Price shall lapse upon the completion of the aforesaid period of 30 days.**

Allotment of shares arising from Warrant Exercise (Applicable Allotment Date)

The application for the warrant exercise can be made at any time immediately after the announcement of Warrant Exercise Price. The Company will allot the shares within 10 working days (i.e. excluding Sunday and gazetted holidays) from the date of expiry of the Warrant exercise period.

Procedure for Exercise

The Registrar to the Company, Beetal Financial and Computer Services Private Limited, will before the Warrant Exercise Period open a special depository account with NSDL called, [*“Goodwill Hospital & Research Centre Limited - Warrant Exercise Escrow Account”*] with a Depository Participant (the “Special Depository Account”). Beneficial owners (holders of Warrants) having their beneficiary account with the CDSL must use the inter-depository delivery instruction slip for the purpose of crediting their Warrants in favour of the Special Depository Account with the NSDL. Beneficial owners (holders of Warrants) who wish to tender their warrants for exercise will be required to send their application to Beetal Financial and Computer Services Private Limited, Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Complex, New Delhi - 110 062, India, the Registrar to the Company by filling up the said application form. It should be accompanied by a cheque / demand draft favoring [*“Goodwill Hospital & Research Centre Limited - Warrant A/c”*] payable at New Delhi for the requisite amount along with a photocopy of the delivery instruction in “Off-market” mode, or counterfoil of the delivery instructions in “Off-market” mode, duly acknowledged by the Depository Participant (“DP”), in favor of the Special Depository Account to the Registrar to the Company.

The Application Form will be sent by the Company to all the warrant holders along with the Confirmation of Allocation Note. The Application Form would also be available to all warrant holders on request with the Registrar during the Warrant Exercise Period and can be downloaded from the Company’s website www.ojjus.org.

In case the Warrants along with the cheque / demand draft towards full payment of the Exercise Price do not reach the Registrar by the end of Warrant Exercise Period i.e. by the end of 30th day from the expiry of 13 months from the date of allotment in this Issue, the same shall lapse.

Rights of Warrant holders

- (a) Save and except the right of subscription to the Company’s Equity Shares and the rights contained in this section “Offering Information” on page 150 of this Draft Red Herring Prospectus, as per the terms of this Issue, the holders of the Warrants in their capacity as Warrant holders shall have no other rights or privileges.
- (b) The Warrants shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations and other related matters as in the case of Equity Shares of the Company. The Warrant holders *inter se* shall rank *pari passu* without any preference or priority of one over the other or others.

The Warrant holders shall not be entitled to dividend, voting rights or any other corporate benefits, if any, declared or announced by us, till such time the warrants are exercised and equity shares are issued by us in accordance with the terms contained herein and on receipt of full payment of Warrant exercise Price. The Warrant shall not confer upon the holders thereof any right to receive any notice of the meeting of the

shareholders of our Company or Annual Report of our Company and / or to attend or vote at any of the general meetings of the shareholders of our Company.

Variance in the terms of the Warrants

The rights, privileges and conditions attached to the warrants may be modified or varied or abrogated with the consent of the holders of the warrants by a Special Resolution passed at a meeting of the warrant holders, provided that nothing in such resolution shall be operative against the Company when such resolution modifies or varies the terms and conditions governing the warrants if the same is not acceptable to the Company. At a meeting of the warrant holders, every warrant holder, and in the case of joint holders the one whose name stands first in the Register, shall be entitled to vote, either in person or by proxy, in respect of such warrants. The warrant holder will be entitled to one vote on a show of hands and his / her voting rights on a poll shall be in proportion to the outstanding number of the warrants held by him / her. The quorum for such meetings shall be at least five warrant holders present in person. The proceedings of the meeting of the warrant holders shall be governed by the provisions contained in the Articles and such other rules in force for the time being to the extent applicable and in relation to matters not otherwise provided for in terms of the Issue.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares or Warrants, they shall be deemed to hold the same as joint-tenants with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares or Warrants allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the equity share(s) and warrant(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) and warrant(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) and warrant(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the equity shares and warrants; or
- b) to make such transfer of the equity shares and warrants, 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 warrants, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the equity shares and warrants, if any, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares and Warrants in the Issue will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with competent courts/ authorities in New Delhi, India.

Minimum Subscription

If we do not receive the minimum subscription of 90% of the Offer through Offer Document including devolvement of the Underwriters within 60 days from the closure of the Issue, we shall within 70 days of the Bid / Issue Closing Date, refund the entire subscription amount received. If there is a delay beyond 8 days after we become liable to pay the amount, we shall repay the money with interest prescribed under Section 73 of the Companies Act, 1956.

Arrangements for Disposal of Odd Lots

Since, our Equity Shares will be traded in dematerialised form only; the marketable lot is one (1) Equity Share. Therefore, there are no arrangements for disposal of odd lots.

Restrictions, If Any on Transfer and Transmission of Equity Shares/ Debentures and on their Consolidation/ Splitting

Except for the lock-in of the Equity Shares held by the Promoters as detailed in “Capital Structure” and as mentioned under the heading “Transfer of Securities” under section titled “Main Provisions of the Articles of Association” on page 178 of this Draft Red Herring Prospectus, there are no restrictions on transfer / transmission on our Equity Shares.

Investors should note that in terms of Section 68B of the Companies Act, the Equity Shares would be allotted to all successful Bidders only in the dematerialized form. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue any time after the Bid Opening Date but before Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two Working Days of the Bid Closing Date, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the day of receipt of such notification. Our Company shall also inform the Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for only after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

Period of Subscription

The subscription list for public issue shall remain open for atleast 3 working days and not more than 10 working days.

OFFERING INFORMATION

This section applies to all Bidders. All Bidders can participate in the Issue through the ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to Bidders other than the ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Bidders have to pay the full Bid Amount or instruct the relevant SCSB to block the full Bid Amount along with the application.

Book Building Procedure

The Issue is being made through the Book Building Process wherein not more than 50% of the Issue shall be allocated to QIBs on a proportionate basis. Further, our Company may allocate upto 30% of the QIB Portion to Anchor Investors, out of which one-third will be available for allocation to Domestic Mutual Funds. In the event of under subscription in Anchor Investors Portion, the balance equity shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remaining Net QIB Portion shall be available for allotment on a proportionate basis to Qualified Institutional Buyers including Mutual Funds, subject to valid bids being received from them at or above the Issue Price. Further, not less than 15% of the Issue would be allocated to Non-Institutional Bidders and not less than 35% of the Issue would be allocated to Retail Individual Bidders on a proportionate basis, subject to valid bids being received from them at or above the Issue Price.

Under subscription, if any, in any category would be met with spill-over from other categories or a combination of categories in accordance with applicable laws, regulations and guidelines. Investors may note that in case of over-subscription in the Issue, allotment to QIB Bidders, Non-Institutional Bidders and Retail Individual Bidders shall be on a proportionate basis.

Any Bidder may participate in this Issue through the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid amounts will be blocked by SCSBs.

All Bidders, other than ASBA Bidders are required to submit their Bids through the members of Syndicate or their sub-syndicate members. ASBA Bidders are required to submit their Bids to the SCSBs.

Investors should note that Allotment of Equity Shares and Warrants to all successful Bidders will be only in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository accounts shall be treated as incomplete and rejected. Bidders will not have the option of being allotted Equity Shares and Warrants in physical form. The Equity Shares and Warrants on allotment shall be traded only on the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Bidders shall use only the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of the Draft Red Herring Prospectus. Before being issued to Bidders, the Bid cum Application Form (except in relation to ASBA Bidders) shall be serially numbered and the date and time shall be stamped at the Bidding centres and such form shall be signed by the Bidder and countersigned by the relevant member of the Syndicate. ASBA Bidders shall submit the ASBA Bid cum Application Form either in physical or electronic form (through the internet banking facility available with the SCSBs or such other electronically enabled mechanism for Bidding) to the SCSB authorizing blocking funds that are available in the bank account specified in the ASBA Bid cum Application Form used by ASBA Bidders.

The Bid cum Application Form shall contain information about the Bidder and the price and number of Equity Shares that the Bidder wishes to Bid for. Bidders shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered multiple Bids.

On the allocation of Equity Shares and Warrants, dispatch of the CAN and filing of the Prospectus with the

RoC, the Bid cum Application Form shall be treated as a valid application form. Upon completion and submission of the Bid cum Application Form to a member of the Syndicate (and in the case of an ASBA Bid cum Application Form, to the SCSB), the Bidder shall be deemed to have authorised our Company to make the necessary changes in the Draft Red Herring Prospectus and the Bid cum Application Form as would be required under the SEBI ICDR Regulations and other applicable laws, for filing the Prospectus with the RoC and as would be required by SEBI and/or the RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

All Bidders can participate in this Issue by way of the ASBA process.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form
Resident Bidders including Eligible NRIs applying on a non-repatriation basis, excluding Anchor Investors	[●]
Non-Resident Bidders including Eligible NRIs, FVCIs and FIIs applying on a repatriation basis, excluding Anchor Investors	[●]
Anchor Investors*	[●]

** The Bid cum Application Forms for Anchor Investors will be made available at our Registered Office and at the office of the BRLM and Syndicate Members.*

Who can Bid?

- Indian nationals resident in India who are not minors in single or joint names (not more than three);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than eligible NRIs are not eligible to participate in this Issue;
- Indian financial institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, under the QIB Portion;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Bidders category.
- Venture capital funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Scientific and/or industrial research organisations authorised to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of Rs. 2,500 lakhs and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with a minimum corpus of Rs. 2,500 lakhs and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund;
- Insurance funds set up and managed by army, navy or air force of the Union of India;

- Multilateral and Bilateral Development Financial Institutions; and

Note: As per existing regulations, OCBs cannot participate in the Issue.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares and Warrants that can be held by them under applicable law.

Participation by associates of the BRLM and the Syndicate Members

The BRLM and the Syndicate Members shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and the Syndicate Members are entitled to subscribe for Equity Shares and Warrants in the Issue, including in the QIB Portion and Non-Institutional Portion where the allocation is on a proportionate basis. Such Bidding and subscription may be on their own account or on behalf of their clients. However, the BRLM shall not be allowed to subscribe to the Anchor Investor Portion.

Bids by Mutual Funds

As per the SEBI ICDR Regulations, 5% of the Net QIB Portion has been specifically reserved for Mutual Funds on a proportionate basis. An eligible Bid by a Mutual Fund in the Mutual Fund Portion shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event demand in the Mutual Fund Portion is greater than 5% of the Net QIB Portion, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by Mutual Funds shall be available for allocation proportionately, after excluding the allocation in the Mutual Fund Portion, in the Net QIB Portion.

One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received at or above the price at which allocation is being done to Anchor Investors.

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own over 10% of any company's paid-up share capital carrying voting rights.

The Bids made by asset management companies or custodians of Mutual Funds shall clearly indicate the name of the concerned scheme for which application is being made.

Multiple applications

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

Bids by Non Residents including Eligible NRIs and FIIs on a repatriation basis

There is no reservation for Eligible NRIs or FIIs or FVCIs registered with SEBI. Such Eligible NRIs, FIIs and FVCIs registered with SEBI will be treated on the same basis as other categories for the purpose of allocation.

Bids by Eligible NRIs

1. Bid cum Application Forms for Eligible NRIs (Blue in colour) will be available at our Registered Office, with the members of the Syndicate.
2. Only such applications as are accompanied by payment in freely convertible foreign exchange shall be considered for Allotment. Eligible NRIs who intend to make payment through Non Resident Ordinary ("NRO") accounts or by debits to their Non-Resident External ("NRE") or Foreign Currency Non-Resident ("FCNR") accounts should use the application form meant for Resident Indians (White in color).

Bids by Eligible NRIs for a Bid Amount of up to Rs. 2,00,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than Rs. 2,00,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The Issue of Equity Shares to a single FII should not exceed 10% of our post-Issue issued capital (i.e. 10% of [●] Equity Shares). In respect of an FII investing in our Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual. With the approval of the board and the shareholders by way of a special resolution, the aggregate FII holding in our Company can go up to 100%.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of regulation 15A(1) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended (the “**SEBI FII Regulations**”), an FII, as defined in the SEBI FII Regulations, may issue, deal or hold, off shore derivative instruments (defined under the SEBI FII Regulations as any instrument, by whatever name called, which is issued overseas by a FII against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. The FII is also required to ensure that no further issue or transfer of any Offshore Derivative Instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI ICDR Regulations. Associates and affiliates of the Underwriters, including the BRLM and the Syndicate Members that are FIIs may issue offshore derivative instruments against Equity Shares allotted to them in the Issue. Any such offshore derivative instrument does not constitute any obligation of, claim on or an interest in, our Company.

Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, each, as amended, prescribe investment restrictions on Venture Capital Funds and FVCIs respectively registered with the SEBI. Accordingly, the holding in any company by any individual venture capital fund or FVCI registered with the SEBI should not exceed 25% of the corpus of the Venture Capital Fund or FVCI. However, venture capital funds or FVCIs may invest not over 33.33% of their respective investible funds in various prescribed instruments, including in initial public offers.

Bids by Anchor Investors

Our Company may consider participation by Anchor Investors in the QIB Portion for up to 30% of the QIB Portion in accordance with the SEBI ICDR Regulations. Only QIBs as defined in Regulation 2(1) (zd) of the SEBI ICDR Regulations and not otherwise excluded pursuant to Schedule XI of the SEBI ICDR Regulations are eligible to invest. The QIB Portion shall be reduced in proportion to the allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. In accordance with the SEBI ICDR Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- (a) Anchor Investors Bid cum Application Forms will be made available for the Anchor Investor Portion at our Registered Office and with the members of the Syndicate.
- (b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount equals to or exceeds Rs. 1,000 lakhs. A Bid cannot be submitted for more than 30% of the QIB Portion. In case of a

Mutual Fund registered with SEBI, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of Rs. 1,000 lakhs.

- (c) One-third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds.
- (d) The Bidding for Anchor Investors shall open one Working Day before the Bid Opening Date and shall be completed on the same day.
- (e) Our Company, in consultation with the BRLM and, shall finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion shall not be less than:
 - two, where the allocation under Anchor Investor Portion is up to Rs. 25,000 lakhs; and
 - five, where the allocation under Anchor Investor Portion is over Rs. 25,000 lakhs.
- (f) Allocation to Anchor Investors shall be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, shall be made available in public domain by the BRLM before the Bid Opening Date.
- (g) Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date.
- (h) In the event the Issue Price is greater than the Anchor Investor Issue Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price shall be paid by the Anchor Investors by the Pay-in-Date. In the event the Issue Price is lower than the Anchor Investor Issue Price, the Allotment to Anchor Investors shall be at the higher price i.e. the Anchor Investor Issue Price.
- (i) The Equity Shares Allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.
- (j) None of the BRLM shall participate in the Anchor Investor Portion. The parameters for selection of the Anchor Investors shall be clearly identified by the BRLM and shall be made available as part of the records of the BRLM for inspection by SEBI.
- (k) Bids made by QIBs under both the Anchor Investor Portion and the Net QIB Portion shall not be considered as multiple Bids.

Additional details, if any, regarding participation in the Issue under the Anchor Investor Portion shall be disclosed in the advertisement for the Price Band which shall be published by our Company in all editions of [●] in English language and [●] in Hindi language, atleast two Working Days prior to the Bid Opening Date.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 lakhs, 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 with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a). With respect to Bids by FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- (b). With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Bid cum Application Form.
- (c). With respect to Bids made by provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.

Our Company, in its absolute discretion, reserves 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 the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company and the BRLM 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. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares and Warrants that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated above.

Maximum and Minimum Bid Size

- (a) **For Retail Individual Bidders:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Share thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs. 2,00,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000. If the Bid Amount is over Rs. 2,00,000 due to revision of the Bid or revision of the Price Band or on exercise of the option to be Bid at the Cut-Off Price, the Bid would be considered for allocation under the Non-Institutional Portion. The option to Bid at the Cut-Off Price is given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- (b) **For Other Bidders (Non-Institutional Bidders and QIBs excluding Anchor Investors):** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws.
In case of revision in Bids, Non-Institutional Bidders who are individuals have to ensure that the Bid Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion. If the Bid Amount reduces to Rs. 2,00,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at the Cut-Off Price. **A QIB Bidder cannot withdraw its Bid after the Bid Closing Date.**
- (c) **For Bidders in the Anchor Investor Portion:** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount is equal to or exceeds Rs. 1,000 lakhs and in multiples of [●] Equity Shares thereafter. Bids by Anchor Investors under the Anchor Investor Portion and the Net QIB Portion shall not be considered as multiple Bids. **Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date.**

Information for the Bidders:

- (a) The Draft Red Herring Prospectus will be filed by our Company with the RoC atleast three days before the Bid Opening Date.
- (b) Copies of the Bid cum Application Form and the Draft Red Herring Prospectus will be available with the Syndicate and our Registered Office. ASBA Bid cum Application Forms can be obtained by Bidders from the SCSBs and electronic ASBA Bid cum Application Forms shall be available on the websites of SCSBs. Furthermore, the SCSBs shall ensure that the abridged prospectus is made available on their websites.
- (c) Copies of ASBA Bid cum Application Forms will also be available for downloading and printing, from website of the Stock Exchanges (which provide electronic interface for ASBA facility). A unique application number will be generated for every ASBA Bid cum Application Form downloaded and printed from the websites of the Stock Exchanges.
- (d) The Syndicate and the Designated Branches of the SCSBs shall accept Bids from the Bidder during the Bidding Period in accordance with the terms of the Syndicate Agreement, provided that the BRLM shall accept the Bids from the Anchor Investors only on the Anchor Investor Bidding Date.
- (e) Eligible Bidders who are interested in subscribing for the Equity Shares should approach any of the BRLM or the Syndicate Members or their authorized agents to register their Bids. Eligible Bidders can approach the Designated Branches of the SCSBs to register their Bids under the ASBA process.

- (f) The Bids should be submitted on the prescribed Bid cum Application Form only. Bids by ASBA Bidders shall be accepted by the Designated Branches of the SCSBs in accordance with the SEBI ICDR Regulations and any other circulars issued by SEBI in this regard. Bid cum Application Forms (other than ASBA Bid cum Application Forms) should bear the stamp of the members of the Syndicate. Bid cum Application Forms (other than ASBA Bid cum Application Forms), which do not bear the stamp of a member of the Syndicate, will be rejected.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bids and revisions of Bids must be:

- a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable.
- b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained here, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected. Bidders should note that the Syndicate and/or the SCSBs (as appropriate) will not be liable for errors in data entry due to incomplete or illegible Bid cum Application Forms or Revision Forms.
- c) Information provided by the Bidders will be uploaded in the online IPO system by the Syndicate and the SCSBs, as the case may be, and the electronic data will be used to make allocation/Allotment. Bidders are advised to ensure that the details are correct and legible.
- d) For Retail Individual Bidders (including Eligible NRIs), the Bid must be for a minimum of [●] Equity Shares and in multiples of [●] thereafter subject to a maximum Bid Amount of Rs. 2,00,000. In case the Bid Amount is over Rs. 2,00,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Bidders portion. The option to Bid at Cut-off Price is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- e) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. Anchor Investors must ensure that their Bids must make a minimum Bid of such number of Equity Shares that the Bid Amount is atleast Rs. 1,000 lakhs. Bids cannot be made for over the Issue size.
- f) Bids by Eligible NRIs, FVCIs and FIIs on a repatriation basis shall be in the names of individuals, or in the names of such FIIs, respectively, but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.
- g) In a single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- h) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- i) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms (other than with respect to ASBA Bidders) duly completed and accompanied by account payee cheques or drafts shall be submitted to the Syndicate at the time of submission of the Bid. With respect to ASBA Bidders, the ASBA Bid cum Application Form or the ASBA Revision Form shall be submitted to the Designated Branches of the SCSBs.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

GENERAL INSTRUCTIONS

Dos:

- (a) Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus under applicable laws, rules and regulations;
- (b) Ensure that you have Bid within the Price Band;
- (c) Read all the instructions carefully and complete the Resident Bid cum Application Form (White in colour), the Non-Resident Bid cum Application Form (Blue in colour) or the Anchor Investor Bid cum Application Form (White in colour) as the case may be;
- (d) Ensure that the details about Depository Participant and Beneficiary Account are correct, and the Beneficiary Account is activated, as Allotment of Equity Shares and Warrants will be in the dematerialized form only;
- (e) Ensure that the Bids are submitted at the Bidding centres only on forms bearing the stamp of a member of the Syndicate (other than with respect to ASBA Bidders);
- (f) With respect to ASBA Bidders ensure that your Bid is submitted at a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for Bidding has a bank account. Further, ensure that the ASBA Bid cum Application Form is signed by the account holder if the Bidder is not the account holder;
- (g) Ensure that the full Bid Amount is paid for Bids submitted to the members of the Syndicate and funds equivalent to the Bid Amount are blocked by the SCSBs in case of Bids submitted through the ASBA process;
- (h) With respect to ASBA Bidders, ensure that you have funds equal to the Bid Amount in your bank account of the respective Designated Branch of the SCSB;
- (i) With respect to ASBA Bidders, instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;
- (j) Ensure that you request for and receive a TRS for all your Bid options;
- (k) Submit revised Bids to the same member of the Syndicate or Designated Branch of the SCSB through whom the original Bid was placed and obtain a revised TRS;
- (l) Except for Bids (i) on behalf of the Central or State Government and the officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Bidders should mention their PAN allotted under the I.T. Act. Bid cum Application Forms in which the PAN is not mentioned are liable to be rejected;
- (m) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. If the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.

Don'ts:

- (a) Do not Bid for lower than the minimum Bid size;
- (b) Do not submit a Bid without payment of the entire Bid Amount;
- (c) Do not Bid/revise the Bid to less than the Floor Price or higher than the Cap Price;
- (d) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate or the Designated Branch of an SCSB;
- (e) Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest and in relation to ASBA Bidders in any other mode other than blocked amounts in the bank accounts maintained by SCSBs;
- (f) Do not send Bid cum Application Forms by post; instead submit the same to the Syndicate or a Designated Branch of an SCSB, as applicable;
- (g) Do not Bid at the Cut-off Price (for QIB Bidders and Non-Institutional Bidders);
- (h) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceed the Issue size and / or investment limit or maximum number of Equity Shares and Warrants that can be held under applicable laws or regulations or the maximum amount permissible under applicable regulations;
- (i) Do not submit more than five ASBA Bid cum Application Forms per bank account;
- (j) Do not Bid for amount exceeding Rs. 2,00,000 in case of a Bid by Retail Individual Bidders;
- (k) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

Method and Process of Bidding

- (a) Our Company and the BRLM shall declare the Bid Opening Date and Bid Closing Date at the time of filing the Draft Red Herring Prospectus with the RoC and shall also publish it in all editions of [●] in English language and [●] in Hindi language, atleast two Working Days prior to the Bid Opening Date.
- (b) The Price Band and the minimum Bid lot size for the Issue will be decided by our Company, in consultation with the BRLM, and advertised in all editions of [●] in English language and [●] in Hindi language, atleast two Working Days prior to the Bid Opening Date.
- (c) The BRLM shall accept Bids from the Anchor Investors on the Anchor Investor Bidding Date, *i.e.* one Working Day prior to the Bid Opening Date. Bidders, except Anchor Investors who are interested in subscribing to the Equity Shares and Warrants should approach any of the members of the Syndicate, their authorized agents or SCSBs to register their Bids, during the Bidding Period. The members of the Syndicate shall accept Bids from the all Bidders and shall have the right to vet the Bids, during the Bidding Period in accordance with the terms of the Syndicate Agreement and the Draft Red Herring Prospectus. Bidders who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their Bids.
- (d) The Bidding Period shall be for a minimum of three Working Days and not exceeding 10 Working Days (including the days for which the Issue is open in case of revision in Price Band). If the Price Band is revised, the revised Price Band and the Bidding Period will be published in all editions of [●] in English language and [●] in Hindi language, together with an indication of such change on the websites of the BRLM and SCSBs and at the terminals of the Syndicate Members.
- (e) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details see “**Bids at Different Price Levels**” below, within the Price Band and specify the demand (*i.e.*, the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation / Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- (f) Except in relation to the Bids received from the Anchor Investors, the Syndicate or the SCSBs will enter each Bid option into the electronic Bidding system as a separate Bid and generate a Transaction Registration Slip (“**TRS**”), for each price and demand option and shall, on demand, give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- (g) With respect to ASBA Bidders, on receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid.
- (h) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled “**Payment Instructions**” on page 160 of the Draft Red Herring Prospectus.

Bids at Different Price Levels and Revision of Bids

- (a) The Price Band and the minimum Bid lot size shall be decided by our Company in consultation with the BRLM and advertised atleast two Working Days prior to the Bid Opening Date, in all editions of [●] in English language and [●] in Hindi language, atleast two Working Days prior to the Bid Opening Date.
- (b) Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI ICDR Regulations. The Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side *i.e.* the floor price can move upward or downward to the extent of 20% of the floor price disclosed atleast two Working Days prior to the Bid Opening Date and the Cap Price will be revised accordingly.
- (c) In case of revision in the Price Band, the Bidding Period will be extended for atleast three additional Working Days after revision of Price Band subject to a maximum of 10 Working Days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by

notification to the Stock Exchanges, by issuing a public notice in all editions of [●] in English language and [●] in Hindi language and also by indicating the change on the websites of the BRLM, the SCSBs and at the terminals of the Syndicate Members.

- (d) Our Company in consultation with the BRLM can finalize the Issue Price and Anchor Investor Issue Price within the Price Band in accordance with this section, without the prior approval of or intimation to the Bidders.
- (e) The Bidder can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at Cut-off Price. However, Bidding at Cut-off Price is prohibited for QIB or Non-Institutional Bidders and such Bids from QIBs and Non-Institutional Bidders shall be rejected.
- (f) Retail Individual Bidders who Bid at the Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at Cut-off Price shall deposit the Bid Amount based on the Cap Price with the members of the Syndicate. In case of ASBA Bidders Bidding at Cut-off Price (other than QIBs and Non-Institutional Bidders), the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders, the Bidder shall receive the refund of the excess amounts from the Escrow Account(s) or the excess funds shall be unblocked from their ASBA Accounts, as the case may be.
- (g) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the revised Cap Price (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 2,00,000 for Retail Individual Bidders, if the Bidder wants to continue to Bid at Cut-off Price), with the member of the Syndicate to whom the original Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 2,00,000 for Retail Individual Bidders Bidding at the Cut-off Price the Bid will be considered for allocation under the Non-Institutional Portion in terms of the Draft Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the Cap Price prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.
- (h) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding would be refunded from the Escrow Account(s) or the excess funds shall be unblocked from their ASBA Accounts, as the case may be.

Bidder's Depository Account and Bank Account Details

Bidders should note that on the basis of Bidder's PAN, Depository Participant's name, DP ID number and beneficiary account number provided by them in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate and the SCSBs, as the case may be, the Registrar to the Issue will obtain from the Depository the demographic details including the Bidder's address, occupation and bank account details including the nine-digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf ('**Demographic Details**'). These Demographic Details would be used for giving refunds (including through physical refund warrants, direct credit, NECS, NEFT and RTGS) to the Bidders, CANs and allocation advice. Hence, Bidders are advised to immediately update their bank account details and Demographic Details as appearing on the records of the Depository Participant and ensure that they are true and correct. Failure to do so could result in delays in dispatch/credit of refunds to Bidders at the Bidders sole risk and neither the Syndicate or the Registrar to the Issue or the Escrow Collection Banks or the SCSBs nor our Company shall have any responsibility and undertake any liability for the same.

IT IS MANDATORY FOR ALL THE BIDDERS TO RECEIVE THEIR EQUITY SHARES AND WARRANTS IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR PAN, DP ID NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE PAN GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS PROVIDED TO THE DEPOSITORY. IF THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE

ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the Depositories to provide, on request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund Orders (where refunds are not being made electronically)/Allocation Advice/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Any such delay shall be at the Bidders sole risk and neither our Company nor Escrow Collection Banks nor the Syndicate shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the Draft Red Herring Prospectus, Bidders may note that refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, Bidders PAN (in case of joint Bids, PAN of first applicant), the DP ID and the beneficiary's identity, such Bids are liable to be rejected.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Bidders other than ASBA Bidders

Our Company and the Syndicate shall open Escrow Accounts with the Escrow Collection Bank(s) in whose favour the Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders in a certain category would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the Draft Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Banks for and on behalf of the Bidders shall maintain the monies in the Escrow Account(s) until the Designated Date. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Draft Red Herring Prospectus.

Bidders should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement by and among our Company, the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Payment into Escrow Account(s) for Bidders other than ASBA Bidders

Each Bidder (other than ASBA Bidders) shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the entire Bid Amount as per the following terms:

- (a) The Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the entire Bid Amount in favour of the Escrow Account(s) and submit the same to the member of the Syndicate. Bid cum Application Forms accompanied by cash, stockinvest, money order or postal order shall not be accepted.
- (b) The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

- In case of Resident QIB Bidders: “Escrow Account - Goodwill Public Issue - QIB - R”
 - In case of Non Resident QIB Bidders: “Escrow Account - Goodwill Public Issue - QIB - NR”
 - In case of Resident Retail and Non-Institutional Bidders: “Escrow Account - Goodwill Public Issue - R”
 - In case of Non-Resident Retail and Non-Institutional Bidders: “Escrow Account - Goodwill Public Issue - NR”
- (c) In the event of Issue Price being higher than the price at which allocation is made to Anchor Investors, the Anchor Investors shall be required to pay such additional amount to the extent of shortfall between the price at which allocation is made to them and the Issue Price within two Working Days of the Bid Closing Date. If the Issue Price is lower than the price at which allocation is made to Anchor Investors, the amount in excess of the Issue Price paid by Anchor Investors shall not be refunded to them (or unblocked in their ASBA Accounts, in case of ASBA Bids).
- (d) Our Company, in consultation with the BRLM, in its absolute discretion, shall decide the list of Anchor Investors to whom the provisional CAN or CAN shall be sent, pursuant to which the details of the Equity Shares and Warrants allocated to them and the details of the amounts payable for Allotment of such Equity Shares and Warrants in their respective names shall be notified to such Anchor Investors. The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:
- In case of resident Anchor Investors: “Escrow Account - Goodwill Public Issue - Anchor Investor - R”
 - In case of non-resident Anchor Investors: “Escrow Account - Goodwill Public Issue - Anchor Investor - NR”
- (e) In case of Bids by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of NRO Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
- (f) In case of Bids by NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an NRO Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.
- (g) In case of Bids by FIIs or FVCIs the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
- (h) The monies deposited in the Escrow Account(s) will be held for the benefit of the Bidders until the Designated Date.
- (i) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account(s) as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
- (j) On the Designated Date and no later than 10 Working Days from the Bid Closing Date, the Registrar to the Issue shall dispatch all refund amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation/Allotment to the Bidders.
- (k) Payments should be made by cheque, or a demand draft drawn on any bank (including a cooperative Bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash, stockinvest, money orders or postal orders will not be accepted.

- (l) In case clear funds are not available in the Escrow Accounts as per final certificates from the Escrow Collection Banks, such Bids are liable to be rejected.
- Except in case of ASBA Bids, Bidders are advised to mention the number of the Bid cum Application Form on the reverse of the cheque/demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.

Payment mechanism for ASBA Bidders

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form and the SCSB shall block an amount equivalent to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to the Issue to unblock the Bid Amount. In the event of withdrawal or rejection of the ASBA Bid cum Application Form, failure of the Issue or for unsuccessful ASBA Bid cum Application Forms, the Registrar to the Issue shall give instructions to the SCSB to unblock the Bid Amount in the relevant bank account within eight Working Days from the Bid Closing Date and the SCSBs shall unblock the Bid Amount within one Working Day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Other Instructions

Joint Bids in case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid cum Application Form (and not more than one) for the total number of Equity Shares required. Two or more Bid cum Application Forms will be deemed to be multiple Bids if the sole or first Bidder is one and the same. It is clarified, however, that Bidders shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered multiple Bids.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made. Bids by QIBs under the Anchor Investor Portion and Net QIB Portion will not be considered as multiple Bids.

After Bidding on an ASBA Bid cum Application Form either in physical or electronic mode, where such ASBA Bid has been submitted to the Designated Branches of SCSBs and uploaded with the Stock Exchanges, an ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form. Submission of a second Bid cum Application Form, whether an ASBA Bid cum Application Form, to either the same or to another Designated Branch of the SCSB, or a Non-ASBA Bid cum Application Form, will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the ASBA Bidder can revise the Bid through the Revision Form, the procedure for which is detailed in “*Offering Information - Build up of the Book and Revision of Bids*” above.

More than one ASBA Bidder may Bid for Equity Shares using the same ASBA Account, provided that the SCSBs shall not accept a total of more than five ASBA Bid cum Application Forms from such ASBA Bidders with respect to any single ASBA Account.

Our Company reserve the right to reject, in their absolute discretion, all or any multiple Bids in any or all

categories. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple Bids are provided below:

1. A check will be carried out for the same PAN. In cases where the PAN is same, such Bids will be treated as multiple Bids.
2. Further, in the case of Mutual Fund Bidders and FII sub-accounts, Bids which use the same PAN, the Bid cum Application Forms will be scrutinised for DP ID and Beneficiary Account Numbers. In case such Bid cum Application Forms bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.

‘PAN’ or ‘GIR’ Number

Except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, the Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. Act. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction.

Any Bid cum Application Form without the PAN is liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

Right to Reject Bids

In case of Non-Institutional Bidders and Retail Individual Bidders, our Company have a right to reject Bids based only on technical grounds and/or as specified in the Draft Red Herring Prospectus. In case of QIB Bidders Bidding in the QIB Portion, our Company, in consultation with the members of the Syndicate, may reject Bids provided that such rejection shall be made at the time of acceptance of the Bid and the reasons for rejecting the same shall be provided to such Bidder in writing. However, our Company, in consultation with the BRLM, reserves the right to reject any Bid received from Anchor Investors without assigning any reasons. Consequent refunds shall be made through any of the modes described in the Draft Red Herring Prospectus and will be sent to the Bidder’s address at the Bidder’s risk.

With respect to ASBA Bids, the Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder’s bank account, the respective Designated Branch of the SCSB ascertains that sufficient funds are not available in the Bidder’s bank account maintained with the SCSB. Subsequent to the acceptance of the ASBA Bid by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds and/or as specified in the Draft Red Herring Prospectus.

The Bidders may note that in case the DP ID, Beneficiary Account Number and PAN mentioned in the Bid cum Application Form and entered into the electronic Bidding system of the Stock Exchanges by the Syndicate and the SCSBs, as the case may be, do not match with the DP ID, Beneficiary Account Number and PAN available in the depository database, the Bid is liable to be rejected.

Grounds for Technical Rejection

Bidders are advised to note that Bids are liable to be rejected among other things, on the following technical grounds:

1. Amount paid or, with respect to ASBA Bids, the amounts mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the highest value of the Equity Shares Bid for;
2. Age of First Bidder not given;
3. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
4. Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, including minors, insane persons;
5. PAN not stated (except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts);

6. Bids for lower number of Equity Shares than specified for that category of investors;
7. Bids at a price less than the Floor Price;
8. Bids at a price over the Cap Price;
9. Bids at Cut off Price by Non-Institutional Bidders and QIB Bidders;
10. Submission of more than five ASBA Bid cum Application Forms per ASBA Account;
11. Bids for number of Equity Shares which are not in multiples of [●];
12. Category not ticked;
13. Multiple Bids as described in the Draft Red Herring Prospectus;
14. In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted;
15. Bids accompanied by cash, stockinvest, money order or postal order;
16. Signature of sole and/or joint Bidders missing. In addition, with respect to ASBA Bids, the Bid cum Application form not being signed by the account holders, if the account holder is different from the Bidder;
17. Bid cum Application Form does not have the stamp of the BRLM, the Syndicate Members or Designated Branches of the SCSBs;
18. Bid cum Application Form does not have Bidder's depository account details or the details given are incomplete;
19. Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Form, Bid Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Bid cum Application Forms;
20. In case no corresponding record is available with the Depositories that matches three parameters namely, PAN (in case of joint Bids, PAN of the first applicant), the DP ID and the beneficiary's account number;
Bidders may note that in case the DP ID and Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate or the SCSBs, as the case may be, do not match with the DP ID and Client ID and PAN available in the depository database, the Bid is liable to be rejected.
21. With respect to ASBA Bids, inadequate funds in the bank account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
22. Bids for amounts greater than the maximum permissible amounts prescribed by applicable law;
23. Bids by QIBs (other than QIBs Bidding through ASBA) not submitted through the members of the Syndicate or their specified sub-syndicate members;
24. Bids by OCBs;
25. Bids by persons in the United States;
26. Bids where clear funds are not available in the Escrow Accounts as per the final certificate from the Escrow Collection Banks;
27. Bids not uploaded on the terminals of the BSE and the NSE;
28. Bids or revision thereof by QIB Bidders and Non-Institutional Bidders uploaded after 4.00 P.M. on the Bid Closing Date;
29. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
30. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals; and
31. Bids that do not comply with the securities laws of the Bidders' respective jurisdictions.

Electronic Registration of Bids

- (a) The members of the Syndicate and the SCSBs will register the Bids received, except Bids received from Anchor Investors, using the online facilities of the Stock Exchanges. Details of Bids in the Anchor Investor Portion will not be registered on the online facilities of the Stock Exchanges. There will be atleast one online connectivity in each city, where the Stock Exchanges are located in India and where such Bids are being accepted. The BRLM, our Company and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Bids accepted by the Syndicate Members and the SCSBs, (ii) the Bids uploaded by the Syndicate Members and the SCSBs, (iii) the Bids accepted but not uploaded by the Syndicate Members and the SCSBs or (iv) with respect to ASBA Bids, Bids accepted and uploaded without blocking funds in the ASBA

Accounts. However, the members of the Syndicate and / or the SCSBs shall be responsible for any errors in the Bid details uploaded by them. It shall be presumed that for the Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.

- (b) The Stock Exchanges will offer a screen-based facility for registering such Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorized agents and the SCSBs during the Bidding Period. The Syndicate Members and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids subject to the condition that it will subsequently upload the off-line data file into the on-line facilities for book building on a regular basis.
- (c) On the Bid Closing Date, the members of the Syndicate and the Designated Branches of the SCSBs shall upload the Bids until such time as may be permitted by the Stock Exchanges. This information will be available with the BRLM on a regular basis. Bidders are cautioned that a high inflow of Bids typically experienced on the last day of the Bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such Bids that could not be uploaded will not be considered for allocation. Bids will only be accepted on Monday to Friday (excluding any public holiday).
- (d) Based on the aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges a graphical representation of consolidated demand and price would be made available at the bidding centres and at the websites of each of the Stock Exchanges during the Bidding Period.
- (e) At the time of registering each Bid, the members of the Syndicate or the Designated Branches of the SCSBs in case of ASBA Bids shall enter the following details of the Bidder in the electronic system:
 - Name of the company.
 - Bid cum Application number.
 - Investor Category – Individual, Corporate, non-institutional, qualified institutional buyer, Eligible NRI, FII, or Mutual Fund, etc.
 - Numbers of Equity Shares Bid for.
 - Bid Amount and the price option.
 - Depository Participant Identity (“**DP ID**”) and Client Identification Number of the beneficiary account of the Bidder.
 - PAN.
 - Cheque amount and cheque number.
- (f) A system generated TRS will, on demand, be given to the Bidder as a proof of the registration of each of the Bidding options. **It is the Bidder’s responsibility to obtain the TRS from the members of the Syndicate or Designated Branches of the SCSBs.** The registration of the Bid by the member of the Syndicate or the Designated Branches of the SCSBs does not guarantee that the Equity Shares shall be allocated / allotted.
- (g) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (h) In case of QIB Bidders (other than QIBs Bidding through ASBA), the Syndicate and the specified sub-Syndicate members have a right to accept the Bid or reject it. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders, Retail Individual Bidders, bids may be rejected except on technical grounds. Further, the SCSBs shall have no right to reject Bids except on technical grounds.
- (i) The permission given by the Stock Exchanges to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; nor does it warrant that the Equity Shares and Warrants will be listed or will continue to be listed on the Stock Exchanges.
- (j) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The members of the Syndicate shall be given one additional day after the Bid Closing Date to verify the information uploaded on the online IPO system during the Bidding Period after which the data will be sent to the Registrar to the Issue for reconciliation and Allotment of Equity

Shares. In case of discrepancy of data between the BSE or the NSE and the Syndicate or the SCSBs, the decision of the BRLM based on the physical records of Bid Application Forms shall be final and binding on all concerned. If a member of the Syndicate finds any discrepancy in the PAN, DP ID and the Beneficiary Account Number, it will correct the same and send the data to the Registrar to the Issue for reconciliation and allotment of Equity Shares and Warrants.

Build up of the book and revision of Bids

- (a) Bids received from various Bidders through the members of the Syndicate and the SCSBs shall be electronically uploaded to the Stock Exchanges' mainframe on a regular basis.
- (b) The book gets built up at various price levels. This information will be available with the BRLM at the end of the Bidding Period.
- (c) During the Bidding Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.
- (d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate and the SCSBs will not accept incomplete or inaccurate Revision Forms.
- (e) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate or the Designated Branch of the SCSB through whom such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.
- (f) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Draft Red Herring Prospectus. With respect to ASBA Bids, if revision of the Bids results in an incremental amount, the relevant SCSB shall block the additional Bid amount. In case of Bids other than ASBA Bids, the members of the Syndicate shall collect the payment in the form of cheque or demand draft if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions. In such cases the members of the Syndicate will revise the earlier Bid details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar to the Issue will reconcile the Bid data and consider the revised Bid data for preparing the basis of Allotment.

When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and will, on demand, receive revised TRS from the Syndicate or SCSBs, as applicable. It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.

Price Discovery and Allocation

- (a) Based on the demand generated at various price levels, our Company, in consultation with the BRLM, shall finalize the Issue Price.
- (b) Allocation to Anchor Investors shall be at the discretion of our Company, in consultation with the BRLM, subject to compliance with the SEBI ICDR Regulations. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, shall be made available in public domain by the BRLM before the Bid Opening Date.
- (c) Under subscription, if any, in any category would be met with spill-over from other categories or a combination of categories in accordance with applicable laws, regulations and guidelines. However, if the aggregate demand by Mutual Funds in the Mutual Fund Portion is less than [●] Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the Net QIB Portion and be allocated proportionately to the QIB Bidders. Further, not less than 15% and 35%

- of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively, subject to valid Bids being received at or above the Issue Price.
- (d) Allocation to Non-Residents, including Eligible NRIs, FIIs and foreign venture capital funds registered with SEBI, applying on repatriation basis will be subject to applicable law.
 - (e) The BRLM, in consultation with our Company shall notify the Syndicate of the Issue Price and allocations to Anchor Investors, where the full Bid Amount has not been collected from the Anchor Investors due to the Issue Price being higher than the Anchor Investor Issue Price.
 - (f) Our Company reserves the right to cancel the Issue any time after the Bid Opening Date, but before the Allotment. In terms of the SEBI ICDR Regulations, QIB Bidders Bidding in the QIB Portion shall not be allowed to withdraw their Bid after the Bid Closing Date. Further, Anchor Investors shall not be allowed to withdraw their Bid after the Anchor Investor Bidding Date.
 - (g) The Basis of Allotment details, which the Stock Exchanges shall approve within eight Working Days of the Bid Closing Date, shall be posted on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

- (a) Our Company, the BRLM and the Syndicate Members shall enter into an Underwriting Agreement on or immediately after the finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, our Company will update and file the updated Draft Red Herring Prospectus with the RoC in terms of Section 56, 60 and 60B of the Companies Act, which then would be termed the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, underwriting arrangements and will be complete in all material respects.

Pre Issue Advertisement

Subject to Section 66 of the Companies Act, our Company shall, after registering the Draft Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●] in English language and [●] in Hindi language.

Advertisement regarding Issue Price and Prospectus

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC in all editions of [●] in English language and [●] in Hindi language. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of this Draft Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of Confirmation of Allocation Note ("CAN")

- (a) On approval of the basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the members of the Syndicate and SCSBs a list of their Bidders who have been allocated / allotted Equity Shares and Warrants in the Issue. The approval of the basis of Allotment by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or prior to the approval of the basis of allocation for the Retail and Non-Institutional Bidders. However, our Company shall ensure that instructions for the demat credit of the Equity Shares and warrants to all Bidders in this Issue shall be delivered on the date of Allotment (which shall be the same date for all Bidders in this Issue). For Anchor Investors, see "*Offering Information - Notice to Anchor Investors: Allotment/Reconciliation and Revised CANs.*"
- (b) The Registrar to the Issue will then dispatch a CAN to the Bidders who have been allocated Equity Shares and Warrants in this Issue.
- (c) Bidders who have been allocated Equity Shares and Warrants shall receive the CAN from the Registrar to the Issue subject, however, to realisation of his or her cheque or demand draft paid into the Escrow Account.
- (d) The issuance of CANs is subject to "*Notice to Anchor Investors - Allotment Reconciliation and Revised CANs*" and "*Notice to QIBs - Allotment Reconciliation*" on page 168 of the Draft Red Herring Prospectus.

Notice to Anchor Investors: Allotment Reconciliation and Revised CANs

After the Anchor Investor Bidding Date, a physical book will be prepared by the Registrar to the Issue on the basis of the Bid cum Application Forms received in the Anchor Investor Portion. Based on the physical

book and at the discretion of our Company and the BRLM, selected Anchor Investors may be sent a CAN, within two Working Days of the Anchor Investor Bidding Date, indicating the number of Equity Shares and Warrants that may be allocated to them. This provisional CAN and the final allocation is subject to (a) the physical application being valid in all respect along with receipt of stipulated documents, (b) the Issue Price being finalised at a price not higher than the Anchor Investor Issue Price, and (c) Allotment. In the event of a technical rejection or in the event the Issue Price is higher than the Anchor Investor Issue Price, a revised CAN will be sent to Anchor Investors. The price of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. Anchor Investors should note that they shall be required to pay any additional amount, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares and Warrants or increased price of Equity Shares. The Pay-in Date in the revised CAN shall not be later than two Working Days after the Bid Closing Date. Any revised CAN, if issued, will supersede in entirety the earlier CAN.

Notice to QIBs: Allotment Reconciliation

After the Bid Closing Date, an electronic book will be prepared by the Registrar to the Issue on the basis of Bids uploaded on the Stock Exchange systems. This shall be followed by a physical book prepared by the Registrar to the Issue on the basis of the Bid cum Application Forms received.

Designated Date and Allotment of Equity Shares and Warrants

- Our Company will ensure that (i) Allotment of Equity Shares and Warrants; (ii) credit to successful Bidder's depository account will be completed within 11 Working Days of the Bid Closing Date.
- In accordance with the SEBI ICDR Regulations, Equity Shares and Warrants will be issued and Allotment shall be made only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares and Warrants so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares and Warrants that may be allocated / allotted to them pursuant to this Issue.

Basis of Allotment

i. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.
- The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.
- If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares. For the method of proportionate basis of Allotment, refer below.

ii. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue Size less Allotment to QIBs and Retail Portion shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares. For the

method of proportionate basis of Allotment refer below.

iii. For QIBs in the Net QIB Portion

- Bids received from the QIB Bidders at or above the Issue Price, shall be grouped together to determine the total demand under this portion. The Allotment to all successful QIB Bidders will be made at the Issue Price.
- The Net QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:
 - (a) In the first instance allocation to Mutual Funds for up to 5% of the Net QIB Portion shall be determined as follows:
 - In the event Mutual Fund Bids exceed 5% of the Net QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the Net QIB Portion.
 - In the event the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below.
 - (b) In the second instance Allotment to all QIBs shall be determined as follows:
 - In the event of oversubscription in the Net QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the Net QIB Portion.
 - Mutual Funds which have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders (excluding the Anchor Investor Portion).
 - Under-subscription below 5% of the Net QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

iv. For Anchor Investor Portion

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of our Company, in consultation with the BRLM, subject to compliance with the following requirements:

- (i) not more than 30% of the QIB Portion will be allocated to Anchor Investors;
- (ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to a minimum number of two Anchor Investors for allocation up to Rs. 25,000 lakhs and a minimum number of five Anchor Investors for allocation more than Rs. 25,000 lakhs.

The number of Equity Shares Allotted to Anchor Investors and the Anchor Investor Issue Price, shall be made available in the public domain by the BRLM before the Bid Opening Date by intimating the Stock Exchanges. The method of proportionate basis of Allotment is stated below.

Illustration regarding allotment to QIBs and Mutual Funds other than Anchor Investors

(1) Issue Details

S. No.	Particulars	Issue details
1	Issue size	20,000 lacs equity shares
2	Portion available to QIBs*	10,000 lacs equity shares
3	Anchor Investor Portion	3,000 lacs

S. No.	Particulars	Issue details
4	Portion available to QIBs* other than anchor investors [(2) – (3)]	7,000 lacs equity shares
	Of which	
a.	Reservation to MF (5%)	350 lacs equity shares
b.	Balance for all QIBs including MFs	6,650 lacs equity shares
5	No. of QIB applicants	10
6	No. of shares applied for	50,000 lacs equity shares

* Where 50% of the Issue Size is required to be allotted to QIBs.

(2) **Details Of QIB Bids**

S. No.	Type of QIB bidders	No. of shares bid for (in lakhs)
1	A1	5,000
2	A2	2,000
3	A3	13,000
4	A4	5,000
5	A5	5,000
6	MF1	4,000
7	MF2	4,000
8	MF3	8,000
9	MF4	2,000
10	MF5	2,000
	TOTAL	50,000

A1-A5 (QIB bidders other than MFs)

MF1-MF5 (QIB bidders which are MFs)

(3) **Details of Allotment to QIB Bidders**

(No. of equity shares in lakhs)

Type of QIB bidders	Equity shares bid for	Allocation of 350 lacs equity shares to MFs proportionately (See Note 2)	Allocation of balance 6,650 lacs equity shares to QIBs proportionately (See Note 4)	Aggregate allocation to MFs
A1	5000	0	665.00	0
A2	2000	0	266.00	0
A3	13000	0	1,729.00	0
A4	5000	0	665.00	0
A5	5000	0	665.00	0
MF1	4000	70	532.00	602.00
MF2	4000	70	532.00	602.00
MF3	8000	140	1,064.00	1,204.00
MF4	2000	35.00	266.00	301.00
MF5	2000	35.00	266.00	301.00
	50000	350.00	6650.00	3010.00

Notes:

- (1) The illustration presumes compliance with the provisions of Regulation 50(1) pertaining to minimum allotment.
- (2) Out of 7,000 lacs equity shares allocated to QIBs, 350 lacs (i.e. 5%) will be allocated on proportionate basis among 5 mutual fund applicants who applied for 200 shares in QIB category.

- (3) The balance 6,650 lacs equity shares [i.e. 7000 – 350 (available for MFs)] will be allocated on proportionate basis among 10 QIB applicants who applied for 50,000 lacs equity shares (including 5 MF applicants who applied for 20,000 lacs equity shares).
- (4) The figures at Col. No. IV are arrived as under :
 - (a) For QIBs other than mutual funds (A1 to A5) = No. of shares bid for (i.e Col II) X 66.5 / 496.5
 - (b) For mutual funds (MF1 to MF5) = {(No. of shares bid for (i.e Col II) less shares allotted (i.e., col. III)} X 665 / 4,965
 - (c) The numerator and denominator for arriving at allocation of 6,650 lacs shares to the 10 QIBs are reduced by 350 lacs shares, which have already been allotted to mutual funds at Col. No. (III).

Method of Proportionate Basis of Allotment in the Issue (for other than Anchor Investors)

Except in relation to Anchor Investors, in the event of the Issue being over-subscribed, our Company shall finalise the basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLM and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner.

Except in relation to Anchor Investors, the Allotment shall be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders will be categorized according to the number of Equity Shares applied for.
- (b) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- (c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- (d) In all Bids where the proportionate Allotment is less than [●] Equity Shares per Bidder, the allotment shall be made as follows:
 - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and
 - Each successful Bidder shall be allotted a minimum of [●] Equity Shares.
- (e) If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that number is 0.50 or higher. If that number is lower than 0.50, it would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

Subject to valid Bids being received, Allotment of Equity Shares to Anchor Investors will be at the discretion of our Company, in consultation with the BRLM.

Every allottee under the Issue shall also received allotment of warrants in the ratio of one warrant for every one equity share allotted.

Equity Shares and Warrants in Dematerialised Form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares and Warrants in this Issue 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, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated [●] between NSDL, our Company and the Registrar to the Issue;
- Agreement dated [●] between CDSL, our Company and the Registrar to the Issue.

Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

- (a) A Bidder applying for Equity Shares must have atleast one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.
- (b) The Bidder must necessarily fill in the details (including the PAN, Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.
- (c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
- (d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- (e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.
- (f) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.
- (g) Equity Shares and Warrants in electronic form can be traded only on stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges where the Equity Shares and Warrants are proposed to be listed have electronic connectivity with CDSL and NSDL.
- (h) Trading in the Equity Shares and Warrants would be in dematerialised form only, on the demat segment of the respective Stock Exchanges.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, PAN, Bidders depository account details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, the bank account number in which an amount equivalent to the Bid Amount was blocked.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Bids submitted with the Designated Branches of the SCSBs, Bidders can contact the Designated Branch of the SCSB.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, reproduced below:

"Any person who:

- (a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or***
- (b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,***

shall be punishable with imprisonment for a term which may extend to five years."

Payment of Refund

Bidders other than ASBA Bidders must note that on the basis of the names of the Bidders, PAN, DP ID, Beneficiary Account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain, from the Depositories, the Bidders' bank account details, including the MICR code. Hence

Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither our Company, the Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue nor the BRLM shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In the case of Bids from Eligible NRIs and FIIs, refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Mode of making Refunds for Bidders other than ASBA Bidders

The payment of refund, if any, for Bidders other than ASBA Bidders would be done through various modes in the following order of preference:

1. NECS - Payment of refund would be done through NECS for Bidders having an account at any of the centres specified by the RBI. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories. The payment of refunds is mandatory for Bidders having a bank account at any of the abovementioned centres, except where the Bidder, being eligible, opts to receive refund through direct credit or RTGS.
2. Direct Credit - Bidders having bank accounts with the Refund Bank(s), as mentioned in the Bid cum Application Form shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.
3. RTGS - Bidders having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds Rs. 10 lakhs, have the option to receive refund through RTGS. Such eligible Bidders who indicate their preference to receive refund through RTGS are required to provide the Indian Financial System Code ("IFSC") code in the Bid cum Application Form. In the event the same is not provided, refund shall be made through NECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Bidder's bank receiving the credit would be borne by the Bidder.
4. National Electronic Fund Transfer ("NEFT") - Payment of refund shall be undertaken through NEFT wherever the Bidders' bank branch is NEFT enabled and has been assigned the IFSC, which can be linked to an MICR code of that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date prior to the date of payment of refund, duly mapped with an MICR code. Wherever the Bidders have registered their MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Bidders through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency and the past experience of the Registrars to the Issue. In the event NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in this section.
5. For all other Bidders, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched under certificate of posting for value up to Rs. 1,500 and through Speed Post/Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Refund Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Mode of making refunds for ASBA Bidders

In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within eight Working

Days of the Bid Closing Date.

Disposal of Applications and Application Moneys and Interest in Case of Delay

With respect to Bidders other than ASBA Bidders, our Company shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges after the allotment of Equity Shares and Warrants.

In case of Bidders who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 10 Working Days from the Bid Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within 10 Working Days of the Bid Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares and Warrants are proposed to be listed, are taken within 12 Working Days of the Bid Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI ICDR Regulations, our Company further undertakes that:

- Allotment of Equity Shares and Warrants shall be made only in dematerialised form, including the credit of allotted Equity Shares and Warrants to the beneficiary accounts of the Depository Participants, within 10 Working Days of the Bid Closing Date;
- With respect to Bidders other than ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 10 Working Days of the Bid Closing Date would be ensured. With respect to the ASBA Bidders' instructions for unblocking of the ASBA Bidder's bank account shall be made within eight days from the Bid Closing Date; and
- Our Company shall pay interest at 15% p.a. for any delay beyond the 10 Working Days' time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within eight days from the day the Company becomes liable to repay (i.e. 10 Working Days after the Bid Closing Date or the date of refusal by the Stock Exchange(s), whichever is earlier). If such money is not repaid within eight days from the day the Company becomes liable to repay it, the Company and every officer in default shall, on and from expiry of eight days, be liable to repay the money with interest at the rate of 15% as prescribed under Section 73 of the Companies Act.

Letters of Allotment or Refund Orders or instructions to the SCSBs

Bidders residing at the centres where clearing houses are managed by the RBI will get refunds through NECS only, except where the Bidder is otherwise disclosed as eligible to get refunds through direct credit and RTGS. Our Company shall ensure dispatch of refund orders, if any, of value up to Rs. 1,500, under certificate of posting, and shall dispatch refund orders above Rs. 1,500, if any, by registered or speed post at the sole or first Bidder's sole risk within 10 Working Days of the Bid Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them of the mode of credit of refund within 10 Working Days of the Bid Closing Date.

In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within eight Working Days of the Bid Closing Date, which shall be completed within one Working Day after the receipt of such instruction from the Registrar to the Issue.

Interest in case of delay in dispatch of Allotment Letters or Refund Orders/instruction to SCSB by the Registrar to the Issue

Allotment of Equity Shares and Warrants in the Issue, including the credit of allotted Equity Shares and

Warrants to the beneficiary accounts of the Depository Participants, shall be made not later than 10 Working Days of the Bid Closing Date. Our Company further agrees that it shall pay interest at the rate of 15% p.a. if the allotment letters or refund orders have not been dispatched to the Bidders or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given in the disclosed manner within eight days from the day the Company becomes liable to repay (i.e. 10 Working Days after the Bid Closing Date or the date of refusal by the Stock Exchange(s), whichever is earlier). If such money is not repaid within eight days from the day the Company becomes liable to repay it, the Company and every officer in default shall, on and from expiry of eight days, be liable to repay the money with interest as prescribed under Section 73 of the Companies Act.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

UNDERTAKING BY OUR COMPANY

Our Company undertake the following:

1. that the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily
2. that all steps for completion of the necessary formalities for listing and commencement of trading at all stock exchanges where the securities are to be listed are taken within 12 working days from the closure of the Issue
3. that the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrars to the Issue by us
4. that where the refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicants within 10 working days from the closure of the Issue giving details of the Bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. that the dispatch of Certificates of the securities / refund orders and demat credit is completed and the allotment and listing documents will be submitted to the Stock Exchanges within eleven working days from the closure of the Issue
6. that the certificates of the securities allotted / refund orders to the Non-Resident Indians shall be dispatched within specified time
7. that the Company agrees that it shall pay interest @ 15% p.a. if the allotment is not made and / or the refund orders are not dispatched to the investors within 10 working days from the date of closure of the Issue for the period of delay beyond 10 working days.
8. that no issue of securities shall be made till the securities offered through the Draft Red Herring Prospectus until the shares are listed or application moneys are refunded on account of non-listing, under subscription, etc.
9. that adequate arrangements shall be made to collect all Applications Supported by Blocked Amount (ASBA) and to consider them similar to non-ASBA applications while finalizing the basis of allotment.

UTILISATION OF ISSUE PROCEEDS

Our Board of Directors certifies that:

- a) All monies received out of the Issue of shares shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act, 1956;
- b) Our Company shall not have any recourse to the Issue proceeds until the approval for trading the Equity Shares and Warrants is received from the Stock Exchanges.
- c) Details of all monies utilized out of the Issue referred to in (a) above shall be disclosed under an appropriate separate head in the balance sheet of our Company, indicating the purpose for which such monies have been utilized;

- d) Details of all unutilized monies out of the Issue of shares referred to in (a) above, if any, shall be disclosed under the appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

Equity Shares and Warrants in Dematerialised Form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Equity Shares and Warrants in this Issue shall be allotted only in a dematerialized 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, two tripartite agreements have been signed among our Company, the Depositories and the Registrar:

- a. An Agreement dated [●] between NSDL, our Company and Registrar to the issue; and
- b. An Agreement dated [●] between CDSL, our Company and Registrar to the issue.

All bidders can seek allotment only in dematerialised mode. Bids from any Bidder without the following details of his or her depository account are liable to be rejected:

- 1. A Bidder applying for Equity Shares and Warrants must have atleast one beneficiary account with either of the Depository Participants of NSDL or CDSL prior to making the Bid.
- 2. The Bidder must necessarily fill in the details (including the beneficiary account number and Depository Participant's Identification number) appearing in the Bid-cum-Application Form or Revision Form.
- 3. Equity Shares and Warrants allotted to a Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
- 4. Names in the Bid-cum-Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the depository account of the Bidder(s).
- 5. If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid-cum-Application Form or Revision Form, it is liable to be rejected.
- 6. The Bidder is responsible for the correctness of his or her demographic details given in the Bid-cum-Application Form vis-à-vis those with his/her Depository Participant.

It may be noted that Equity Shares and Warrants in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL or CDSL. BSE and NSE, where Equity Shares and Warrants are proposed to be listed, are connected to NSDL and CDSL. Non-transferable allotment advice or refund orders will be directly sent to the Bidder by the Registrar to this Issue. Investors are advised to instruct their DP to accept the Equity Shares and Warrants that may be allocated to them, pursuant to the issue.

Pre and Post Issue Related Grievances:

We have appointed Mr. Sandeep Singhania, Whole Time Director, as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue-related problems, at the following address:

Compliance Officer

Mr. Sandeep Singhania
Whole Time Director
Goodwill Hospital and Research Centre Limited
705, Kailash Building,
26, Kasturba Gandhi Marg,
New Delhi - 110 001
Tel.: +91 11 2371 1897
Fax: +91 11 2331 9995
Email: ipo@ojjus.org
Website: www.ojjus.org

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid-cum-Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof.

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

The main provisions of the Articles of Association of our Company are given under:

SHARE CAPITAL

6. Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the directors who may issue, allot or otherwise dispose of the same or any of them to such person, 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 section 79 of the Act) at a discount and at such time as they may from time to time think fit and with 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.
7. Subject to the provisions of these Articles the Company shall have power by special resolution to issue preference shares carrying a right to redemption out of the profits which would otherwise be available for dividend or out of the proceeds of a fresh Issue of shares made for the purpose of such redemption is liable to be redeemed at the option of the Company and the Board may subject to the provisions of Section 80 of the Act exercise such power in such manner as may be provided in these Articles.
8. The Company may exercise the powers of paying commission conferred by Section 76 of the Act. In such case it shall comply with the requirements of that Section. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.
9. With the previous authority of the Company in General Meeting and the sanction of the Court and upon otherwise complying with Section 79 of the Act, the Directors may issue at a discount shares of a class already issued.
10. If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.
11. The Joint-holders of a share shall be severally as well as jointly liable for the payment of all instruments and calls due in respect of such share.
12. Save as herein otherwise provided and Subject to Section 187C of the Act, 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 as by statute required, be bound to recognise any equitable or other claim to or interest in such share on the part of any other person.
13. Shares may be registered in the name of any person, company or other body corporate. Not more than three persons shall be registered as joint-holders of any share. No share shall be allotted to or registered in the name of a minor, person of unsound mind or a partnership.
18. Subject to the provisions of Section 76 of the Act, the Company may at anytime pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditional) for any shares or debentures in the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any share or debentures in the Company, but the commission shall not exceed in the case of shares 5 (five) per cent of the price at which the shares are issued, and in the case of debentures 2½ (two and a half) per cent of the price at which the debentures are issued. The Company may also pay on any issue of shares or debentures such brokerage as may be lawful and reasonable.

CERTIFICATES

19. (a) 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 deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. 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 Rs.2/- 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.
Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.
The provision of this Article shall mutatis mutandis apply to debentures of the company.
- (b) Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificates of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, 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 or several joint holders shall be a sufficient delivery to all such holder.
20. The certificates of titles to shares and duplicate thereof when necessary shall be issued under the seal of the Company.
Provided that notwithstanding what is stated above the directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.
The provision of the Article shall mutatis mutandis apply to debentures of the Company.
21. Subject to the provisions of Section 76 of the Act, the Company may at anytime pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditional) for any shares or debentures in the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any share or debentures in the Company, but the commission shall not exceed in the case of shares 5 (five) per cent of the price at which the shares are issued, and in the case of debentures 2½ (two and a half) per cent of the price at which the debentures are issued. The Company may also pay on any issue of shares or debentures such brokerage as may be lawful and reasonable.

CALLS

22. The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provisions of Section 91 of the Act, make such calls, as the Board thinks fit, upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. A call may be made payable by instalments and shall be deemed to have been made when the resolution of the Board authorising such call was passed. Option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting.

23. No call shall be made payable within one month after the last preceding call was payable.
24. Not less than fifteen day's notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.
25. (a) If the sum payable in respect of any call or installment be paid on or before the day appointed for payment thereof, the holders for the time being in respect of the share for which the call shall have been made or the installment shall be due shall pay interest for the same as the rate of 12 percent per annum from the day appointed for the payment thereof to the time of the actual payment or at such lower rate (if any) as the Board may determine.
(b) The Board shall be at liberty to waive payment of any such Interest either wholly or In part.
26. If by the terms of issue of any share or otherwise any amount is made payable upon allotment or at any fixed time or by installments at fixed times, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Board and of which due notice have been given, and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.
28. The Board may, if it thinks fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the sum, whole or any part of the moneys due upon the share held by him beyond the sum actually called for, and upon the money so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the call then made upon the share 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. Money so paid in excess of the amount of calls shall not rank for dividends or confer a right to participate in profits. The Board may at any time repay the amount so advanced upon giving to such member not less than three month's notice in writing.
29. The members shall not be entitled to any voting right in respect of the money so paid by him until the same would but for such payment, becomes presently payable.
33. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

FORFEITURE AND LIEN

34. If any members fails to pay any call or instalment of a call on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
35. The notice shall name a day (not being less than thirty days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited.
36. If the requisitions of any such notice as aforesaid be not complied with any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect to the forfeited shares but not actually paid before the forfeiture.
37. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name is stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
38. Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit.
39. The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annual the forfeiture thereof upon such conditions as it thinks fit.
40. A person whose share has been forfeited shall cease to be a member in respect of the share, but shall, notwithstanding such forfeiture remain liable to pay, and shall forthwith pay to the Company

- all calls, or instalments interests and expenses, owing upon or in respect of such share, at the time of the forfeiture, together with interest thereon, from the time of forfeiture, until payment, at 12 percent per annum or at such other rate at the Board may determine and the Board may enforce the payment thereof, or any part thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so.
43. The Company shall have a first and paramount lien upon every share not being fully paid up registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for monies called or payable at a fixed time in respect of such share (whether presently payable or not) and no equitable interest in any share shall be created except upon the footing and condition that Article 12 hereof is to have full effect. Such lien shall extend to all dividends and bonuses, from time to time, declared in respect of such share. Unless otherwise agreed the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause. Fully paid up shares shall be free from all lien.

TRANSFER AND TRANSMISSION

49. Save as provided in Section 108 of the Act, no transfer of a share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or if no such certificate is in existence, the letter of allotment of the share. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof
50. Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall in the case of a partly paid share be affected unless the Company gives the notice of the application to the transferee in the manner prescribed by Section 110 of the Act and subject to the provisions of these Articles the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name and the particulars of the transferee as if the application for registration of transfer were made by the transferee. If it is proved to the satisfaction of the Board of Directors that instrument of transfer signed by or on behalf of the transferor and transferee has been lost, the company may register on such terms as to indemnity
51. The instrument of transfer of any share shall be in writing in the form prescribed by the Act or the Rules made thereunder or where no such form is prescribed in the usual common form prescribed by the Stock Exchanges in India or so near thereto circumstances will admit and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
52. No transfer shall be made to a minor, a partnership firm or a person of unsound mind.
53. Every Instrument of transfer shall be left at the office for registration, accompanied by the certificate of the share to be transferred or, if no such certificate is in existence, by the letter of allotment of the share and such other evidence as the Board may require to prove the title of the transferor of his right to transfer the share and the transferee shall (subject to the Board's right to decline to register hereinbefore mentioned) be registered as a member in respect of such share. Every instrument of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.
54. If the Board refuses, to register the transfer of, or the transmission by operation of law of the right to, any share, the Company shall give notice of the refusal within one month from the date on which the instrument of transfer was lodged with the company.
55. The executor or administrator of a deceased member (not being one of several joint-holders) shall be the only person recognised by the Company as having any title to the share registered in the name of such member and in case of the death of any one or more of the joint-holders of any registered share, the survivor shall be the only person recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of

- a deceased joint holder from any liability on the share held by him jointly with any other person. Before recognizing any executor or administrator the Board may require him to obtain a Grant of Probate or Letters of Administration or other legal representation, as the case may be, from a Court in India competent to grant it. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense with the production of Probate or Letters of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may think fit.
56. Any committee or curator bonis of a lunatic or guardian of a minor member or any person becoming entitled to or to transfer a share in consequence of the death or bankruptcy or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may, with the consent of the Board (which the Board shall not be bound to give) be registered as a member in respect of such share or may subject to the regulation as to transfer herein before contained, transfer such share. This Article is hereinafter referred to as "The Transmission Article".
57. (a) If the person so becoming entitled under the Transmission Article 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.
(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the share.
(c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of instruments of transfer of a share shall be applicable to any such notice of transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.
58. A person so becoming entitled under the Transmission Article to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall subject to the provisions of Article 110 and of section 205 of the Act, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the share.
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 moneys payable in respect of the share until the requirements of the notice has been complied with.
(a) Prepaid registered post to the transferee at the address given in the instrument of transfer shall be deemed to have been delivered in the ordinary course of post.
(b) Nothing in sub-clause (a) shall prejudice any power of the Board of Directors to register as a shareholder any person to whom the right to any share has been transmitted by the operation of law.
(c) Nothing in this Article shall prejudice the power of the Board of Directors to refuse to register the transfer of any share to a transferee, whether a member or not.
59. Subject to the provision of Section 154 of the Act, the Board shall have power on giving not less than 7 (Seven) days previous notice by advertisement in a newspaper circulating in the district in which the registered office of the company is situated to close the transfer books, the register of members or register of debenture holders at such times and for such period or periods, not exceeding in the aggregate forty five days in each year, but not exceeding thirty days at any one time as it may seem expedient.
60. Subject to the provisions of Section 111A, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of member in or debenture of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal, Provided that 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 except where the Company has a lien on shares.

INCREASE AND REDUCTION OF CAPITAL

67. The Company in general meeting may from time to time alters the conditions of the Memorandum of Association to increase its capital by the creation of new shares of such amount and class as may be deemed expedient.
68. Subject to any special rights for the time being attached to any shares in the capital of the Company then issued and to the provisions of Section 81 of the Act, the new shares may be issued upon such terms and conditions, and with such rights attached thereto as the general meeting resolving upon the creation thereof, shall direct, and, if no direction be given, as the Board shall determine, and in particular such shares may be issued with a preferential right to dividends and in the distribution of assets of the Company.

ALTERATION OF CAPITAL

74. The Company in General Meeting may, from time to time:-
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than existing shares.
 - (b) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
 - (c) Cancel any shares which at the date of the passing of the resolution, have been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled.
 - (d) Convert all or any of its fully paid shares into stock and reconvert that stock into fully paid up shares of any denomination.
75. The resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preferential or special advantage as regards dividend, capital, voting or otherwise over or as compared with the others or other, subject nevertheless, to the provisions of Section 85, 87, 88 and 106 of the Act.
76. Subject to the provisions of Sections 100 to 105 both inclusive of the Act, the Board may accept from any member the surrender on such terms and conditions, as shall be agreed, of all or any of his shares.

JOINT HOLDERS

84. Where two or more persons are registered as holders of any shares, they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Presents:
- (a) Shares may be registered in the name of any person, company or other body corporate but not more than three persons shall be registered jointly as members in respect of any shares
 - (b) The certificate of shares registered in the name of two or more persons shall be delivered to the person first named on the Register.
 - (c) The joint holders of a share shall be jointly and severally liable to pay calls in respect thereof
 - (d) If any shares stands in the names of two or more persons, the persons first named in the register shall as regards receipt of share certificates, warrants dividends or bonus or service of notices and all or any other matter connected with the company, except voting at meetings, and the transfer of the shares, be deemed as sole holder thereof but the joint holders of share shall be severally as well as jointly liable for the payment of all installment and calls due in respect of such share and for all incidents thereof according to the Company's regulations.
 - (e) In case of death of any one or more of the persons named in the register of members as the joint holders of any share, the survivors shall be the only persons recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased jointholder from any liability on shares held by him jointly with any other person.

- (f) If there be joint registered holders of any shares any one of such persons may vote at any meeting either personally or by proxy in respect of such shares, as if he was solely entitled thereto, provided that if more than one of such joint holders be present at any meeting either personally or by proxy, then one of the said persons so present whose name stands on the register of members shall alone be entitled to vote in respect of such shares, but the other or others joint holders shall be entitled to be present, at the meeting. Several executors or administrators of a deceased member in whose names shares stand shall for the purpose of these articles be deemed joint holders thereof.

A document or notice may be served or given by the Company on or to joint holder of a share by serving or giving the document or notice on the joint holder named first in the register of members in respect of the share.

MODIFICATION OF RIGHTS

86. 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 shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate General Meeting of the holders of the shares of that class. To every such separate General Meeting the provisions of these Articles relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued shares of that class, but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and, on a poll, his voting rights shall be as per Section 87 of the Act. This article is not by implication to curtail the power of modification which the Company would have if this Article were omitted.
87. The Company shall comply with the Provisions of Section 192 of the Act by forwarding a copy of the prescribed agreement or resolution passed to the Registrar of Companies.

BORROWING POWERS

88. The Board may, from time to time, at its discretion, subject to the provisions of Sections 58-A, 292, 293 and 370 of the Act, and regulations made there under and Directions issued by the RBI raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purposes of the Company.
89. The Board may raise or secure the repayment or payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and, in particular by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
90. Any debentures debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special rights, as to redemption, surrender, drawing, allotment of shares, appointment of Directors and otherwise, Debentures, debenture-stock, bonds and other securities may be made assignable free from any requisites between the Company and the person to whom the same may be issued. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except in conformity with the provisions of Section 81 (3) of the Act.
91. Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.

GENERAL MEETING

92. In addition to any other meetings, Annual General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Act and subject to the provisions of Section 166(2) of the Act, at such times and places as may be determined by the Board. All other meetings of the Company, shall, except in the case of a statutory meeting, be called Extraordinary General Meetings and shall be convened under the provisions of next following Article.

93. The Board may, whenever, it thinks fit, can call extraordinary general meeting, and it shall, on the requisition of the members in accordance with Section 169 of the Act proceed to call an Extraordinary General Meeting as provided by Section 169 of the Act.

PROCEEDING AT GENERAL MEETINGS

96. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the report of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at any other General Meeting shall be deemed special businesses.
97. 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. Save as herein otherwise provided minimum at least five members present in person shall be a quorum. A corporation being a member shall be deemed to be personally present if it is represented, in accordance with Section 187 of the Act. The President of India or Governor of a State shall be deemed to be personally present if he is represented in accordance with Section 187A of the Act.
98. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting if convened upon such requisition as aforesaid, shall be dissolved But in any other case it shall stand adjourned in accordance with the provisions of sub-sections (3), (4) and (5) of Section 174 of the Act.
99. Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in general meeting, shall be sufficiently so done or passed if effected by an Ordinary Resolution as defined in Section 189(1) of the Act, unless either the Act or these Articles specifically require such act to be done or resolution passed as a Special Resolution as defined in Section 189{2} of the Act.
102. No business shall be discussed at any General meeting except election of a chairman while the chair is vacant.
103. Every question submitted to a meeting shall be decided, in the first instance by a show of hands, and in the case of an equality of votes both on a show of hands and on a poll, the chairman of the meeting shall have a casting vote in addition to the vote to which he may be entitled as a member.
104. At any general meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provision of Section 179 of the Act, a declaration by the Chairman that the resolution has or has not been carried, or has been carried either unanimously, or by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the meeting of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of, or against the resolution.

VOTES OF MEMBERS

107. (1) On a show of hands every member present in person and being a holder of Equity Shares shall have one vote and every person present either as a proxy (as defined in Article 84) in behalf of a holder of Equity Shares as a duly authorised representative of a body corporate being a holder of an Equity Share shall, if he is not entitled to vote in his own right, have one vote. On a poll the voting rights of a holder of any Equity Share shall be as specified in Section 87 of the Act.
- (2) The holder of a Preference Share shall not be entitled to vote at general meeting of the Company except as provided for in Section 87 of the Act. At any meeting at which or upon any question the holders of the said Preference Shares are entitled to vote the said Preference Shares shall, on a show of hands, and on a poll confer the same voting rights as Equity Shares.
- (3) No body corporate shall vote by proxy so long as a resolution of its Board of Directors under the provisions of Section 187 of the Act is in force and the representative named in such resolution is present at the general meeting at which the vote by proxy tendered.
108. Where a Company or a body corporate (hereinafter called "member Company") is a member of the Company, a person, duly appointed by resolution in accordance with the provisions of section 187 of the Act to represent such member company at a meeting of the Company shall not, by reason of such appointment, be deemed to be proxy, and the lodging with Company at the office

- or production at the meeting of a copy of such resolution duly signed by one Director of such member company and certified by him or them as being a true copy of the resolution shall, on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on 'behalf of the 'member company which he represents, as that member company could exercise if it were an individual member.
109. Any person entitled under the Transmission Article to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he were the member registered in respect of such shares, provided that forty eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to transfer such shares, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or noncom pas mentis, he may vote whether on a show of hands or a poll by his committee; curator or other legal curator and such last-mentioned persons may give their votes by proxy.
110. Where there are members registered jointly in respect of any share anyone of such persons may vote at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto; and if more than one of such members be present at any meeting either personally or by proxy that one of the said members so present whose name stands first on the Register in respect of such share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purpose of this Article be deemed to be member registered jointly in respect thereof.
111. On a poll votes may be given either personally or by proxy, or in the case of a body corporate, by a representative duly authorised as aforesaid.
112. The instrument appointing a proxy shall be in writing under the hand of the appointer or his Attorney duly authorised in writing or if such appointer is a body corporate under its common seal or the hand of its officer or Attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a Special proxy any other proxy shall be called a General proxy.

DIRECTORS

122. Subject to Section 252 of the Act, the Directors of the Company shall not be less than three and not more than twelve inclusive nominee Directors.
123. The Company in general meeting may, from time to time, increase or reduce the number of Directors within the limits fixed by Article 122.
125. A Director of the Company shall not be required to hold any share as qualification.
126. Subject to the provisions of the Act, and Rules framed thereunder, each Director, except Managing Director and Whole Time Director, shall be entitled to receive out of the funds of the Company, sitting fee not exceeding such sum as notified in the Rules for each meeting of the Board of Directors or a Committee thereof or an adjournment thereof, attended by him. The Directors shall be entitled to be paid their reasonable traveling and hotel and other expenses incurred in consequence of their attending the Board and the Committee meetings or otherwise incurred in the execution of their duties as Directors.
- The Directors shall also be entitled to be paid as remuneration a commission of 1% on the net profits of the Company to be calculated in accordance with the provisions of the Act and such commission shall be divided amongst the directors in such proportions as the directors may determine and in default of such determination equality. All other remuneration if any, payable by the Company to each Director whether in respect of his service as a Managing Director or a Director whether in whole or part time employment of the Company shall be determined in accordance with and subject to the provisions of these Articles and of the Act.
127. If any Director being willing, shall be called upon to perform extra services or to make any special exertions in going or residing as from his usual place of residence for any of the purposes of the Company or in giving special attention to the business of the Company or as a member of a Committee of the Board then, subject to Sections 198,309 and 310 of the Act the Board may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

128. The continuing Director may act notwithstanding any vacancy in their body, but so that if the number falls below the minimum above fixed the Board shall not except for the purpose of filling vacancies or for summoning a general meeting of the Company, act so long as the number is below the minimum.
129. The office of a Director shall 'ipso facto' become vacant, if at any time he commits any of the acts set out in Section 283 of the Act.
130. No Director or other person referred to in Section 314 of the Act shall hold an office or place of profit save as permitted by that Section.
135. The Board shall have power, at any time and from time to time, to appoint any person as a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting of the Company and shall then be eligible for re-appointment.
136. The Directors may appoint any person to act as alternate Director for a Director during the latter's absence for a period of not less than three months from the State in which meetings of the Directors are ordinarily held and such appointment shall have effect and such appointee whilst he holds office as an alternate Director shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly, but he shall 'ipso facto' vacate office if and when the absent Director returns to the State in which meetings of the Directors are ordinarily held or the absent Director vacates office as a Director.
137. If any Director appointed by the Company in General Meeting vacates office as a Director before his term of office will expire in the normal course the resulting casual vacancy may be filled up by the Board at a meeting of the Board, but any person so appointed shall remain in his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Article 141.
138. All the Directors of the Company are liable to retire by rotation at every Annual General Meeting of the Company.
139. Subject to the provisions of these Articles, the Directors liable to retire by rotation at every Annual General Meeting shall be eligible for re-appointment at such Annual General Meeting.
140. The Company may remove any Director before the expiration of his period of office in accordance with the provisions of Section 284 of the Act and may subject to the provisions of Section 262 of the Act appoint another person in his place if the Director so removed was appointed by the Company in General Meeting or by the Board under Articles 146 and 148.
141. Subject to the provisions of Sections 316 and 317 of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors of the Company, for a maximum period of 5 years and may, from time to time (subject to the provisions of any contract between him and the Company) remove or dismiss him from office and appoint another in his place.
146. A retiring director shall be eligible for re-election.
147. Subject to provisions of the Act, the Company at the General meeting at which a director retires in manner aforesaid may fill up the vacated office by electing a person thereto.
148. If the place of the retiring director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
149. If at the adjourned meeting also, the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring director shall be deemed to have been reappointed at the adjourned meeting, unless:
 - (i) At that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost; or
 - (ii) The retiring director has, by a notice in writing addressed to the Company or the Board, expressed his unwillingness to be so re-appointed; or
 - (iii) He is not qualified for appointment; or
 - (iv) A resolution whether special or ordinary is required for the appointment or re-appointment by virtue of any provisions of the Act; or

- (v) The proviso to sub-section (2) of the Section 263 of the Act is applicable to the case.
150. No person, not being a retiring director, shall be eligible for election to the office of director at any general meeting unless he or some other member intending to propose him has at least fourteen clear days before the meeting, left at the office a notice in writing under his hand signifying his candidature for the office of director or the intention of such member to propose him as a candidate for that office and he or the proposer has deposited with the Company Rs. 500/- (Rs. Five Hundred) or such other sum as may be required under modified provisions from time to time as a security along with the notice as required under section 257 of the Companies Act, 1956.
151. On the receipt of the notice referred to in Article 150 the company shall inform its members of the candidature of a person for the office of director or the intention of a member to propose such person as a candidate for that office, by serving individual notice on the members not less than seven days before the meeting provided that it shall not be necessary for the company to serve individual notice upon the member if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the district in which one is published in the English language and the other in the regional language.
154. A managing or a Whole Time Director or a Manager who is re-appointed as a director immediately on retirement by rotation shall continue to hold his office of managing director or whole time director and such re-appointment as director shall not be deemed to constitute break in his appointment as managing director or whole time director.

PROCEEDINGS OF DIRECTORS

157. The Directors shall meet together at least once in every three months for the dispatch of business & may adjourn & otherwise regulate their meetings and proceedings as they think fit. Notice of every meeting of the Directors together with the agenda of the business to be transacted thereat shall be given in writing by a Director of such other office of the Company duly authorised in this behalf to every Director whether, whether within or outside India. Such notice shall be sent by registered air mail post or by capable so as to reach the addressee thereof in the normal course at least 7 days before the date of the meeting unless all the Directors agree by a prior consent accorded in writing or by a capable of such meeting being held on shorter notice. Provided that were an alternate Director has been appointed it shall be sufficient for purposes of this Article to send notice to or obtain consent of such alternate Director only.
158. Director may at any time and the Secretary shall, upon the request of a Director made at any time, convene a meeting of the Board.
159. The Board may appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed, or if at any meeting of the Board the Chairman be not present within five minutes after the time appointed for holding the same, Directors present shall choose some one of their number to be Chairman of such meeting.
160. The quorum for a meeting of the Board shall be minimum two or 1/3rd of total strength whichever is higher subject to the provisions of Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the Chairman of the Board shall appoint.
165. All acts done by any meeting of the Directors, or by a Committee of Directors, or any person acting as a Director, shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of anyone or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified or had vacated office by virtue of any provision contained in the Act or in these Articles be as valid as if every such Director or person had been duly appointed and was qualified to be a Director and had not vacated such office provided that nothing in this Article shall be deemed to give validity to acts done by a Director after the appointment of such Director has been shown to be invalid or to have terminated.
166. Save in those cases where a resolution is required by Sections 262,292,297,316 and 372(5) and 386 of the Act or any other provisions of the Act to be passed at a meeting of the Board, resolution shall be valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be duly called and constituted if it is passed by circulation in the manner as provided in Section 289 of the Act.

MINUTES

167. (1) The Board shall, in accordance with the provisions of Section 193 of the Act, cause minutes to be kept of proceedings of every general meeting of the Company and of every meeting of the Board or of every Committee of the Board.
- (2) Any such minutes of proceedings of any meeting of the Board or of any Committee of the Board or of the Company in general meeting, if kept in accordance with the provisions of section 193 of the Act, shall be evidence of the matters stated in such minute. The minute books of general meetings of the Company shall be kept at the office and shall be open to inspection by members during the hours of 11A.M. and 1P.M. on such business days as the Act requires them to be open for inspection.

POWERS OF BOARD

169. Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in general meeting. Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulations had not been made.
170. Without prejudice to the general powers conferred by the preceding Article, the Director may, from time to time and at any time subject to the restrictions contained in the Act, delegate to managers, secretaries officers, assistants and other employees or other persons any of the powers, authorities and discretions for the time being vested in the Board and the Board may, at any time remove any person so appointed and may annual or very such delegation. Without prejudice to general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the other powers conferred by the Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say Power:
- (a) To pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (b) To pay and charge to the Capital account of the Company any commission or interest lawfully payable under the provisions of Section 76 and 208 of the Act.

MANAGEMENT

173. Subject to the provisions of Section 197-A, 198 and 269, 309 and 310 of the Act the Company may appoint or re-appoint Managing Director, whole-time Director and manager upon such terms and conditions as it thinks fit.
174. (a) The Directors may appoint a Secretary and/or consultant and/or an advisor on such terms, at such remuneration and upon such conditions as they may think fit and any secretary or consultant or advisor so appointed may be removed by the Directors.
- (b) A Director may be appointed as a Secretary and/or consultant and/or Advisor.
175. Any provision of the Act or these Articles requiring or authorising a thing to be done by a director, manager or secretary shall not be satisfied by its being done by the same person acting both as Director and as or in place of the Manager or Secretary.

CAPITALISATION

184. (1) Any General Meeting may upon the recommendation of the Board resolve that any amounts standing to the credit of the Share premium Account or the Capital Redemption Account or any monies, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising out of appreciation in value of any capital assets of the Company) standing to the credit of the Capital Reserves, General Reserve, Reserve or any Reserve Fund or any other Fund of the company available for dividend, be capitalized:

- (a) by the issue and distribution as fully paid-up equity shares of the Company as a bonus issue, or
 - (b) by crediting shares of the Company which may have been issued and are not fully paid-up with the whole or any part of the sum remaining unpaid thereon:
 - Provided that any amounts standing to the credit of the Share Premium Account or the Capital Reserve account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the Company to be issued to members (as herein provided) as fully paid bonus shares.
 - (2) Such issue and distribution under (1) (a) above and such payment to credit of unpaid shares capital under (1)(b) above, shall be made to among and in favor of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interest and in the proportion to the amount of capital paid-up on the shares held by them respectively in respect of which such distribution under (1)(a) or payment under (1)(b) above shall be made on the footing that such members become entitled thereto as capital.
 - (3) The Directors shall give effect to any resolution and apply such portion of the profits, General Reserve, Capital reserve or Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of payment in full of the shares of the Company so distributed under (1)(a) above or (as the case may be) for the purpose of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid-up under (1)(b) above.
 - (4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that such cash payment be made to any members on the footing of the value so fixed and may vest any such cash or shares in trustees upon such trusts for the person entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, and fractional certificates or otherwise as they may think fit.
185. A general meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investment representing the same or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.

DIVIDENDS

186. Subject to the rights of the members entitled to shares (if any) with preferential rights or special rights attached thereto, the profits of the Company which it shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity Shares in the Company but so that partly paid-up shares shall only entitle the holder with respect thereof to such proportion of the distribution upon a fully paid-up share as the amount paid thereon bears to the nominal amount of such shares. 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. Where capital is paid-up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying Interest, rank for dividends or confer a right to participate in profits.
187. The Company in annual general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.
188. No larger dividend shall be declared than is recommended by the Board, but the Company in general meeting may declare a smaller dividend.
189. Subject to the provisions of Section 205 of the Act, no dividend shall be payable except out of the profits of the Company or out of moneys provided by the Central or a State Government for the payment of the dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company.

190. The declaration of the net profit of the Company as stated in the audited Annual Accounts shall be conclusive.
191. The Board may from time to time, pay to be members such interim dividends as appear to the Board to be justified by the profits of the Company.
204. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any schedule bank, to be called "Goodwill Hospital & Research Centre Limited Unpaid Dividend Account".
205. The Company shall transfer any money transferred to the unpaid dividend account of a Company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the fund known as Investor Education and Protection Fund established under Section 205C of the Act.

BOOKS AND DOCUMENTS

206. The Board of Directors shall cause to be kept proper books of accounts on accrual basis and according to double entry system of accounting as required under Section 209 of the Act.
207. The books of accounts shall be kept at the office or subject to the provisions to Section 209 of Act at such other place as the Directors think fit and shall be open to inspection by the Directors during the business hours.

POSTAL BALLOT

235. (1) Notwithstanding anything contained in these Articles, the Company may adopt the mode of passing a resolution by members of the Company by means of a Postal Ballot and / or other ways as may be prescribed by the Central Government in this behalf in respect of the following matters instead of transacting such business in a General Meeting of the Company:-
- a. Particularly, resolutions relating to such business as the Central Government may by notification, declare under Companies (Passing of Resolutions by Postal Ballot) Rules, 2001 shall be conducted only by postal ballot.
 - b. Any business that can be transacted by the Company in General Meeting in accordance with these Articles or Act.
- The Company shall comply with the procedure for such postal ballot and / or other ways prescribed by the Central Government in this regard.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the 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 are to be entered into by the Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at 705, Kailas Building, 26, Kasturba Gandhi Marg, New Delhi – 110 001 from 10.00 a.m. to 02.00 p.m. on working days from the date of the filing of this Draft Red Herring Prospectus.

A. Material Contracts

1. Agreement dated January 14, 2011 between our company and the BRLM.
2. Agreement dated January 14, 2011 between our company and the Registrar to the Issue,
3. Syndicate Agreement dated [●] between the Company, BRLM and Syndicate members,
4. Escrow Agreement dated [●] between the Company, BRLM, Syndicate members, Escrow collection Banks and Registrar to the Issue
5. Underwriting Agreement dated [●] between the Company and Underwriters.

B. Documents for Inspection

1. Certificate of Incorporation of the Company dated June 26, 2000
2. Memorandum and Articles of the Company.
3. Tripartite agreements dated [●] and [●] with NSDL and CDSL respectively.
4. Copy of the Board Resolution dated December 20, 2010 approving this Issue.
5. Copy of resolution passed in the extra ordinary general meeting of the Company held on December 23, 2010 approving the Initial Public Offering.
6. Consents of the Promoter, Directors, Auditors, Bankers to the Company, Book Running Lead Manager, Legal Counsel, IPO Grading Agency, Registrar, Syndicate Members, Bankers to the Issue, Company Secretary and Compliance Officer, in their respective capacities.
7. Shareholders Resolution for appointment of Statutory Auditors.
8. Resolution passed by the Board of Directors for appointment and remuneration of Managing Director.
9. Certificate dated January 17, 2011 from Auditors regarding the statement of tax benefits.
10. Report of the Auditors dated January 17, 2011 on restated standalone financial statements for the eight months period ending November 30, 2010 and the last five financial years ended March 31, 2010, 2009, 2008, 2007 and 2006.
11. Report of the Auditors dated January 17, 2011 on restated consolidated financial statements for the eight months period ending November 30, 2010 and financial year ended March 31, 2010.
12. Annual Reports of the Company for the last five financial years ended March 31, 2010, 2009, 2008, 2007 and 2006.
13. Certificate dated January 17, 2011 from Chandiok & Guliani, Chartered Accountants on the source, purpose and utilization of the loans which are proposed to be repaid out of the proceeds of the Issue.
14. In-principle listing approval for this Issue [●] and [●] from BSE and NSE respectively.
15. Due Diligence Certificate of SPA Merchant Bankers Limited dated January 21, 2011.
16. IPO Grading Report 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 the Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

No statement made in this Draft Red Herring Prospectus contravenes any of the provisions of the Companies Act, 1956 and the rules made thereunder. All the legal requirements connected with the said issue as also the guidelines, instructions etc. issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Board of Directors of our Company

Mr. Kuldeep Rai Chawla
Chairman

Mrs. Namrata Chawla
Managing Director

Mr. Harvansh Chawla
Director

Mr. Amanveer Singh
Director

Mr. Sandeep Singhania
Director

Mr. Ram Avtar Poddar
Director

Vinod Kumar Grover
Director

Fr. Jose Alarico Carvalho
Director

Justice Vijender Jain (Retd.)
Director

Mr. Lalit Kumar Joshi
Director

Mr. Charanjeet Bareja
Chief Financial Officer

Date: January 21, 2011
Place: New Delhi

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