

...continued from previous page.

dependent on any particular doctor for providing services to our patients, certain patients may choose our Hospitals because of the reputation of some of our individual doctor. There is no assurance that we will be able to retain our doctors or they will continue to provide services to us or devote the whole of their time to our Hospitals or that our doctors will not prematurely terminate such arrangements, which they may unilaterally terminate by serving a notice of typically three months.

**Our industry is highly regulated. Any regulatory changes or violations of such rules and regulations may adversely affect our business, financial condition and results of operations.** We require certain statutory and regulatory licenses, registrations and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. There can be no assurance that we will be able to obtain these registrations and approvals including approvals in relations to our operations in a timely manner or at all. Healthcare providers are subject to a wide variety of governmental, state and local environmental and occupational health and safety and other laws and regulations. Further, we are required to obtain and renew from time to time, a number of approvals, accreditations, licenses, registrations and permits from governmental and regulatory authorities such as in relation to establishment of Hospitals, operation of our Hospitals, procurement and operation of medical and other equipment and storage and sale of drugs. In particular, we are required to obtain certificate of registrations for carrying on certain of our business activities including from the Government of India, the State Governments and other such regulatory authorities that are subject to numerous conditions. The regulatory licenses that we require are typically granted for a limited term and are subject to renewal at the end of such terms. Further, if we fail to comply with the requirements for applicable quality standards, or if we are otherwise unable to obtain or renew such quality accreditations in the future, in a timely manner, or at all, our business and prospects may be adversely affected. We may incur substantial costs in order to comply with current or future laws, rules and regulations, and we may not be able to maintain, at all times, full compliance with such laws, regulations, policies and guidelines.

**Our Company depends on the knowledge and experience of our Promoter, Dr. Pragnesh Yashwantsinh Bharpoda, for our growth. The loss of their services may have a material adverse effect on our business, financial condition and results of operations.** Our Company depends on the management skills and guidance of our Promoter for development of business strategies, monitoring its successful implementation and meeting future challenges. Our Promoter had initially started his business by instituting a sole proprietorship under the name

of M/s. Gujarat Kidney and Superspeciality Hospital, under which he has founded the Gujarat Kidney and Superspeciality Hospital in Vadodara and the Gujarat Multispeciality Hospital in Godhra, which were subsequently transferred to our Company through the Business Transfer Agreement. Accordingly, our business and operations are solely dependent upon our Promoter, his stature and experience in the medical field. We cannot assure you that we shall be able to identify any replacements of our Promoter, that would be able to carry out the functions and the responsibilities entrusted by our Company in an efficient manner and would contribute successfully in the business and operations of our Company.

**Our Company, our Subsidiaries and one of the Entities Controlled by our Company have incurred losses in Fiscal 2023. Such losses may impact our reputation or business or financial results, on a consolidated basis.**

Our Company, our Subsidiaries and one of the Entities Controlled by our Company have incurred losses in the past, details of losses based on unaudited proforma condensed combined financial information which are as under:

(₹ in lakhs)

Name of the entity	Profit/(Loss)
	March 31, 2023
Gujarat Kidney and Super speciality Limited	(0.62)
Raj Palmland Hospital, Bharuch	(62.59)
Surya Hospital and ICU, Borsad	(1.57)

Gujarat Kidney and Super speciality Limited become operational company pursuant to business transfer agreement in FY 2023-24. Prior to FY 2023-24, Company was having no revenue from operations, however, it had to incur compliance cost, audit expenses and other ancillary expenses towards keeping Company active and compliant. Hence, in FY 2022-23, the Company had incurred loss. Similarly, Raj Palmland Hospital had purchased fixed assets and availed loans during FY 2022-23, which resulted in higher depreciation and interest cost, resulting in loss of ₹ 62.59 Lakhs. Further, Surya Hospital and ICU reported loss of ₹ 1.57 lakhs during the FY 2023-24 due to restatement undertaken to align the Partnership firm accounts with those of the other hospitals as mentioned in unaudited pro forma condensed combined financial information. There can be no assurance that we, our Subsidiaries or the Entities Controlled by our Company will not incur losses in any future periods, or that there may not be an adverse effect on our reputation or business as a result of such losses.

Additional Information for Investors

1. Our Company has not undertaken any pre-IPO placement and our Promoters and members of Promoter Group have not undertaken any transactions of shares aggregating to 1% or more of the paid-up equity share capital of our Company from the date of the draft red herring prospectus till date.
2. Shareholding details of our Promoters, members of our Promoter Group and additional top 10 Shareholders of our Company as at Allotment:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue shareholding as at Allotment*			
		Number of Equity Shares	Percentage of total pre-Issue paidup Equity Share capital on a fully diluted basis	At the lower end of the Price Band (₹108)		At the upper end of the Price Band (₹114)	
				Number of Equity Shares of face value ₹2 each held on a fully diluted basis	Percentage of total post-Issue paid up Equity Share capital on a fully diluted basis	Number of Equity Shares of face value ₹2 each held on a fully diluted basis	Percentage of total post-Issue paid up Equity Share capital on a fully diluted basis
Promoters							
1.	Dr. Pragnesh Yashwantsinh Bharpoda	3,00,84,250	52.92	3,00,84,250	38.15	3,00,84,250	38.15
2.	Dr. Yashwantsingh Motisingh Bharpoda	87,50,000	15.39	87,50,000	11.10	87,50,000	11.10
3.	Anitaben Yashvantsinh Bharpoda	87,50,000	15.39	87,50,000	11.10	87,50,000	11.10
4.	Dr. Bhartiben Pragnesh Bharpoda	87,49,475	15.39	87,49,475	11.10	87,49,475	11.10
	<b>Total (A)</b>	<b>5,63,33,725</b>	<b>99.10</b>	<b>5,63,33,725</b>	<b>71.45</b>	<b>5,63,33,725</b>	<b>71.45</b>
Promoters' Group							
1.	Nikita Yashvantsinh Bharpoda	175	Negligible	175	Negligible	175	Negligible
	<b>Total (B)</b>	<b>175</b>	<b>Negligible</b>	<b>175</b>	<b>Negligible</b>	<b>175</b>	<b>Negligible</b>
Additional top ten shareholders							
1.	Hitendra Khatedia	175	Negligible	175	Negligible	175	Negligible
2.	Vivekkumar Laxmanbhai Patel	509175	0.90	509175	0.65	509175	0.65
	<b>Total (C)</b>	<b>509350</b>	<b>0.90</b>	<b>509350</b>	<b>0.65</b>	<b>509350</b>	<b>0.65</b>
	<b>Total (D) = (A + B + C)</b>	<b>56843250</b>	<b>100.00</b>	<b>56843250</b>	<b>72.10</b>	<b>56843250</b>	<b>72.10</b>

\*subject to finalisation of basis of allotment

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹2/- each and the Floor Price is 54 times the face value of Equity Shares and Cap Price is 57 times the face value of Equity Shares.

Investors should also refer to the sections "Risk Factors", "Our Business", "Financial Information" and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on pages 35, 214, 288 and 436 of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are:

- Pre-eminence in renal sciences, with established sub-superspecialities in urology and strong capabilities in other specialties;
- 'Right-sized', full service and strategically located hospitals leading to high return on capital;
- Ability to attract, train and retain quality medical professionals;
- Investment in infrastructure, processes and clinical excellence driving affordability, and a strong value proposition for stakeholders;
- Track record of operating and financial performance and growth;
- Professional management and experienced leadership.

For further details, please see "Our Business – Our Competitive Strengths" on page 217 of the RHP.

Quantitative Factors

Certain information presented in this section relating to our Company is based on and derived from the Restated Consolidated Financial Statements and Proforma Consolidated Financial Statements. For details, see "Financial Information" beginning on page 288 of the RHP.

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

1. BASIC AND DILUTED EARNINGS PER SHARE ("EPS"):

As per the Restated Consolidated Financial Statements:

For the Year / Period	Basic & Diluted EPS (in ₹)	Weight
Fiscal 2025	1.85	3
Fiscal 2024	0.49	2
Fiscal 2023	0.00	1
Weighted Average	1.09	
Three month period ended June 30, 2025*	0.85	

\*Not annualised

Note:

- (1) Basic EPS (₹) = Basic earnings per share is calculated by dividing the Restated Consolidated Profit for the year / period (attributable to owners of the company) divided by the weighted average number of Equity Shares outstanding during the year / period, after considering the impact of bonus issue and sub division of equity shares, for all periods presented;
- (2) Diluted EPS (₹) = Diluted earnings per share is calculated by dividing the Restated Consolidated Profit for the year / period (attributable to owners of the company) divided by the weighted average number of equity Shares outstanding during the year / period as adjusted for the effects of all dilutive potential Equity Shares outstanding during the year / period, if any and after considering the impact of bonus issue and sub division of equity shares, for all periods presented;
- (3) Earnings per Share calculations are in accordance with the Indian Accounting Standard 33 'Earnings per share';
- (4) Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued / bought back during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year;
- (5) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Consolidated Financial Statements as appearing in Restated Consolidated Financial Statements;
- (6) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year / Total of weights;
- (7) Pursuant to a resolution passed at the general meeting of shareholders dated July 22, 2024, our Company has approved sub-division of 1 (one) Equity Share of face value of ₹ 10/- each into 5 (Five) Equity Shares of face value of ₹2/- each. Accordingly, the issued, subscribed and paid-up share capital of the Company was subdivided from 3,16,950 equity shares of face value of ₹10 each to 15,84,750 equity shares of face value of ₹2 each. The impact of such sub-division of shares has been retrospectively considered for the computation of earnings per share, as per the requirement / principles of IndAS 33, as applicable.
- (8) Pursuant to a resolution passed by our Board on February 4, 2025 and a resolution passed by our Shareholders on February 5, 2025, the issuance of 5,50,71,500 equity shares of face value of ₹2 each by way of a bonus issue in the ratio of 34 Equity Share for every one equity share of face value ₹2 each held, was approved, which were allotted on February 6, 2025. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of basic EPS and diluted EPS in accordance with IndAS 33 for all the Calendar Years/periods presented.

AS DERIVED FROM THE PROFORMA CONSOLIDATED FINANCIAL STATEMENTS:

For the Year / Period	Basic & Diluted EPS (in ₹)	Weight
Fiscal 2025	2.89	3
Fiscal 2024	2.77	2
Fiscal 2023	1.90	1
Weighted Average	2.68	
Three month period ended June 30, 2025*	1.37	

\*Not annualised

Notes:

- (1) Basic EPS (₹) = Basic earnings per share is calculated by dividing the Proforma Consolidated Profit for the year / period (attributable to owners of the company) divided by the

weighted average number of Equity Shares outstanding during the year / period, after considering impact of bonus issue and Sub division of equity shares, for all periods presented;

- (2) Diluted EPS (₹) = Diluted earnings per share is calculated by dividing the Proforma Consolidated Profit for the year / period (attributable to owners of the company) divided by the weighted average number of equity Shares outstanding during the year / period as adjusted for the effects of all dilutive potential Equity Shares outstanding during the year, if any and after considering impact of bonus issue and Sub division of equity shares, for all periods presented;
- (3) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share';
- (4) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year;
- (5) The above statement should be read with Significant Accounting Policies and the Notes to the Proforma Consolidated Financial Statements as appearing in Proforma Consolidated Financial Statements;
- (6) Pursuant to a resolution passed at the general meeting of shareholders dated July 22, 2024, our Company has approved sub-division of 1 (one) Equity Share of face value of ₹ 10/- each into 5 (Five) Equity Shares of face value of ₹2/- each. Accordingly, the issued, subscribed and paid-up share capital of the Company was subdivided from 3,16,950 equity shares of face value of ₹10 each to 15,84,750 equity shares of face value of ₹2 each. The impact of such sub-division of shares has been retrospectively considered for the computation of earnings per share, as per the requirement / principles of IndAS 33, as applicable.
- (7) Pursuant to a resolution passed by our Board on February 4, 2025 and a resolution passed by our Shareholders on February 5, 2025, the issuance of 5,50,71,500 equity shares of face value of ₹2 each by way of a bonus issue in the ratio of 34 Equity Share for every one equity share of face value ₹2 each held, was approved, which were allotted on February 6, 2025. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of basic EPS and diluted EPS in accordance with IndAS 33 for all the Calendar Years/periods presented.

2. Price to Earnings ("P/E") ratio in relation to Price Band of ₹108 to ₹114 per Equity Share: As per the Restated Consolidated Financial Statements:

For the Year / Period	P/E at the lower end of Price Band (number of times)* ₹	P/E at the upper end of Price Band (number of times)* ₹
Based on Basic EPS for Fiscal 2025	58.38	61.62
Based on Diluted EPS for Fiscal 2025	58.38	61.62

\*To be updated in the Prospectus to be filed with the RoC

AS PER THE PROFORMA CONSOLIDATED FINANCIAL STATEMENTS:

For the Year / Period	P/E at the lower end of Price Band (number of times)* ₹	P/E at the upper end of Price Band (number of times)* ₹
Based on Basic EPS for Fiscal 2025	37.37	39.44
Based on Diluted EPS for Fiscal 2025	37.37	39.44

\*To be updated in the Prospectus to be filed with the RoC

3. Industry P/E ratio

Based on the peer group information (excluding our Company) given below in this section:

Particulars	P/E Ratio (No. of times)
Highest	55.84
Lowest	24.51
Industry Composite	44.32

Notes:

- (1) The industry high and low has been considered from the industry peers set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peers set disclosed in this section. For further details, see "Basis for Issue Price–Comparison of Accounting Ratios with Listed Industry Peers" on page 150 of the RHP;
- (2) The industry P/E ratio mentioned above is based on the parameters for the Fiscal 2025.

4. Return on Net Worth ("RoNW")

As per the Restated Consolidated Financial Statements:

For the Year / Period	RoNW %	Weight
Fiscal 2025	36.61%	3
Fiscal 2024	15.86%	2
Fiscal 2023	-1.67%	1
Weighted Average	23.32%	
Three month period ended June 30, 2025*	15.85%	

\*Not annualised

Notes:

- (1) Return on Net worth (%) = Restated Consolidated Profit for the year / period (attributable to owners of the company) divided by Net worth as at the end of the year / period.
- (2) "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated financial statements, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as per the SEBI/ICDR Regulations as on June 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023.
- (3) Weighted average = Aggregate of year-wise weighted Return on Net worth divided by the aggregate of weights i.e. (Return on Net worth x Weight) for each year / Total of weights.

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