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Dated: December 29, 2025

KRM AYURVEDA LIMITED
(Formerly known as KRM Ayurveda Private Limited)
CIN: U24239DL2019PLC354658

Our Company was originally incorporated as a Private Limited Company under the name of "KRM Ayurveda Private Limited" under the Companies Act, 2013 vide certificate of incorporation dated September 03, 2019, issued by Registrar of Companies, Delhi, bearing CIN U24239DL2019PTC354658. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on November 23, 2024 and the name of our Company was changed from "KRM Ayurveda Private Limited" to "KRM Ayurveda Limited" & Registrar of Companies, CPC has issued a new certificate of incorporation consequent upon conversion dated December 24, 2024 bearing CIN U24239DL2019PLC354658.

Registered Office: A-16 G T Kamal road Industrial Area, North West, Delhi, Delhi, India-110033.

Phone No.: +91- 9289101700; **Fax:** N.A.; **Website:** www.krmayurveda.com ; **E-mail:** compliance@krmayurveda.com

Company Secretary and Compliance Officer: Ms. Pooja Garg
OUR PROMOTERS: MR. PUNEET DHAWAN AND MRS. TANYA DHAWAN

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED SEPTEMBER 22, 2025: NOTICE TO INVESTORS (THE "ADDENDUM")

INITIAL PUBLIC OFFERING UP TO 57,40,000 EQUITY SHARES OF RS. 10/- EACH ("EQUITY SHARES") OF KRM AYURVEDA LIMITED ("KRM" OR THE "COMPANY") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE"), INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO RS. [●] LAKHS ("THE ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UPTO 4,24,000 EQUITY SHARES AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO 53,16,000 EQUITY SHARES AGGREGATING TO RS. [●] LAKHS (THE "NET ISSUE"). THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 27.00 % AND 25.00 % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential Bidders may note the following:

- The Chapter titled "Definition and Abbreviations" beginning on page 1 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Definition and Abbreviations of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Summary of Offer document" beginning on page 20 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Summary of Offer document chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Risk Factors" beginning on page 28 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Risk Factors chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Object of the issue" beginning on page 97 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned Object of the issue chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Our Business" beginning on page 164 of Draft Red Herring Prospectus has been updated to amend the details mentioned in Our Business chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Our History and Certain Other Corporate Matters" beginning on page 255 of Draft Red Herring Prospectus has been updated to amend the details mentioned in Our History and Certain Other Corporate Matters chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Our Management" beginning on page 230 of Draft Red Herring Prospectus has been updated to amend the details mentioned in Our Management chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Our Promoter Group" beginning on page 257 of Draft Red Herring Prospectus has been updated to amend the details mentioned in Our Promoter Group chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Financial Information as restated" beginning on page 263 of Draft Red Herring Prospectus has been updated to amend the details mentioned in Financial Information as restated chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Management's Discussion And Analysis Of Financial Condition And Results Of Operation" beginning on page 264 of Draft Red Herring Prospectus has been updated to amend the details mentioned in Management's Discussion And Analysis Of Financial Condition And Results Of Operation chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Outstanding Litigation and material development" beginning on page 279 of Draft Red Herring Prospectus has been updated to amend the details mentioned in Outstanding Litigation and material development chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Government and Other approvals" beginning on page 292 of Draft Red Herring Prospectus has been updated to amend the details mentioned in Government and Other approvals chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Declaration" beginning on page 411 of Draft Red Herring Prospectus has been updated to amend the details mentioned in Declaration chapter of this addendum. Please note that all other details will be carried out in the offer document.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



NEXGEN Financial Solutions Pvt. Ltd.

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

Address: 709, Madhuban Building, 55, Nehru Place, New Delhi – 110019

Address: D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India

Telephone: +91 11 41407600

Telephone: 011-40450193-97, **Fax No:** 011:26812682

Email: ipo@nexgenfin.com

Email: ipo@skylinerta.com, grievances@skylinerta.com

Website: www.nexgenfin.com

Website: www.skylinerta.com

Contact Person: Mr. Shubham Gupta

Contact Person: Mr. Anuj Rana

SEBI Registration Number: INN0000011682

SEBI Registration Number: INR000003241

CIN: U74899DL2000PTC106340

CIN: U74899DL1995PTC071324

BID/ISSUE PERIOD

Anchor Bid opens on: [●] *

Bid/ Issue open on: [●]

Bid/ Issue Closes on: [●]

****Subject to Finalization of Basis of Allotment**

- Our Company in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one working day prior to the Issue Opening Date.
- Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
- UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

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SECTION I – GENERAL DEFINITIONS AND ABBREVIATIONS

Technical / Industry related Terms:

Term	Description
CGHS	Central Government Health Scheme
ECHS	Ex-Servicemen Contributory Health Scheme
FAR	Floor Area Ratio

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SECTION II - SUMMARY OF OFFER DOCUMENTS

SUMMARY OF OUR BUSINESS

Our Company, established in 2019, is operating a network of hospitals and clinics across multiple cities in India as well as marked its presence in abroad through telemedicines consulting and sales. Presently, Company runs 6 (Six) Hospitals and 5 (Five) Clinics at different locations in the country. Though KRM Ayurveda started off as a kidney hospital and it continues to provide specialized treatment for kidney disorders, the Company has widened its horizons in the past few years and has now evolved for various health disorders such as kidney disorder, Liver Cirrhosis, Diabetes, Fatty Liver, Arthritis etc. Company has marked its reach globally as well through Tele-Consultancy Services. Further, we focus on specialized segments within the medical and healthcare domain that address specific health issues and challenges, such as addiction, personal care, wellness, and related areas and for that we are engaged into trading of Ayurvedic medicine, oils and supplements. Details of our key products are provided on page 186 of the DRHP.

SUMMARY OF RELATED PARTY TRANSACTIONS

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18:

A. Names of related parties and nature of relationship:

Particulars	Name
a) Key Management Personnel (KMP)	Puneet Dhawan Tanya Dhawan Sanchit Hans Pooja Garg Som Dev Dhawan (Director upto 26-12-2024)
b) Relatives of Key Management/ Companies Controlled by relatives	Som Dev Dhawan Aruna Dhawan
c) Entities over which KMPs have significant influence.	Karma Ayurveda Blue Bliss Motels & Resorts Karma Life Care LLC Karma Online Services LLC

B. Transactions with related parties are as follows:

(Amount in Lakhs)

Particulars	For the year ended					
	March 31 st 2025	% of revenue from operation	March 31 st 2024	% of revenue from operation	March 31 st 2023	% of revenue from operation
Remuneration Paid	158.22	2.07%	90.00	1.34%	91.60	1.03%
Som Dev Dhawan	49.00	0.64%	60.00	0.89%	60.00	0.67%
Sanchit Hans	18.59	0.24%	18.00	0.27%	19.60	0.22%
Tanya Dhawan	6.00	0.08%	12.00	0.18%	12.00	0.13%
Puneet Dhawan	84.00	1.10%	-	-	-	-

Pooja Garg	0.63	0.01%	-		-	
Consultancy	6.00	0.08%	-		-	
Tanya Dhawan	6.00	0.08%	-		-	
Purchase (Fixed Assets)	6.50	0.08%	2.50	0.04%	-	
Karma Ayurveda (Gross)	6.50	0.08%	2.50	0.04%	-	
Royalty	100.00	1.31%	100.00	1.49%	100.00	1.12%
Puneet Dhawan	100.00	1.31%	100.00	1.49%	100.00	1.12%
Rent Paid/ Lease Rent	182.31	2.38%	170.21	2.53%	120.36	1.35%
Puneet Dhawan	164.26	2.15%	153.87	2.29%	110.45	1.24%
Som Dev Dhawan	18.05	0.24%	16.34	0.24%	9.91	0.11%
Purchase (Fixed Assets)	14.14	0.18%	-		-	
Blue Bliss Motels & Resorts	14.14	0.18%	-		-	
Sales	2,363.66	30.87%	648.38	9.65%	-	
Karma Ayurveda (Gross)	-		6.64	0.09%	-	
Karma Life Care LLC	1,722.85	22.50%	598.98	8.91%	-	
Karma Online Services LLC	640.81	8.37%	42.78	0.64%	-	
Interest Paid	-		0.09	0.00%	0.09	0.00%
Aruna Dhawan	-		0.09	0.00%	0.09	0.00%
Loan Accepted	-		-		45.00	0.50%
Aruna Dhawan	-		-		45.00	0.50%
Loan Repaid	-		45.00	0.67%	1.00	0.01%
Aruna Dhawan	-		45.00	0.67%	-	
Tanya Dhawan	-		-		1.00	0.01%

Balances outstanding are as follows:

(Amount in Lakhs)

Particulars	As at		
	31-03-2025	31-03-2024	31-03-2023
Royalty Payable	98.00	-	13.00
Puneet Dhawan	98.00	-	13.00
Balances of related parties	(176.78)	78.89	-
Karma Life care LLC	(67.89)	(94.66)	-
Karma Online services LLC	(108.89)	15.77	-
Remuneration Payable	8.66	4.61	3.51
Som Dev Dhawan	1.90	3.35	2.25
Puneet Dhawan	4.90	-	-
Sanchit Hans	1.86	1.26	1.26

For Further details of Related Party Transaction, please refer “Annexure VIII” under the chapter titled “Financial Statement as restated” on page 263 of this Draft Red Herring Prospectus.

SECTION III- RISK FACTORS

INTERNAL RISK FACTORS

1. Our Registered Office and other hospital premises from where we operate are not owned by us. If we are required to vacate the same, due to any reason whatsoever, it may adversely affect our business operations.

The premises on which our registered office and our delhi hospital is operated are owned by our Promoter/Promoter Group. Following is the details of property is follows:

S. No.	Address	Usage	Owned/Rented/ Leased	Name of the Owner	Tenure	Rent Amount (Rs.)	Area Sq. Ft.
1.	A-16 G T Karnal Road Industrial Area, Delhi, North West- 110033, Delhi	Registered Office	Rented	Mr. Puneet Dhawan*	1-04-2025 to 28-02-2026	6,50,000/- p.m.	13,777
2.	Prop. No - 77, Tarun Enclave, Pitmapura, North West Delhi, Delhi, 110034	Hospital	Rented	Mr. Puneet Dhawan & Mr. Som Dev Dhawan*	1-04-2025 to 28-02-2026	5,10,000 /- p.m.	9,521

Further, some of our property are also taken on lease arrangement. The details of which are given below:

S. No.	Address	Usage	Owned/Rented/ Leased	Name of the Owner	Tenure	Rent Amount (Rs.)	Area Sq. Ft.
3.	A-36 G T Karnal Road Industrial Area, North West, Delhi-110033	Corporate Office	Owned	KRM Ayurveda Limited	NA	NA	20,672
4.	B-101, G.T. Karnal Road, Industrial Area, Delhi-110033	This is a vacant land, currently not in any commercial usage	Owned	KRM Ayurveda Limited	NA	NA	11,544
5.	131, Ground Floor & First Floor, Road No.1, Friends colony, Ashiana Nagar, Patna, Bihar-800025	Clinic	Rented	Capt. Ajay Kumar Srivastava	01-09-2025 to 31-08-2034	65,000/- p.m.	4,200
6.	Office No 405, Lucky Commercial Complex, Chakala Junction, Mumbai, Mumbai Suburban, Maharashtra, 400099	Clinic	Rented	Mr. Satpal Darshan Singh and Maanav Bhinder	01-07-2025 to 30-06-2026	62,000 /- p.m.	700
7.	Plot No 105AA, Killa No 46/10/2/2, 46/10/2/5, 46/11/12/1/1, Village	Hospital	Rented	Mr. Kamal Sharma and Ms. Shyam	15-02-2024 to 14-02-2029	1,95,000/- p.m.	5,400

	Silokara, Sec-41, Tehsil Wazirabad, Dist Gurugram, Haryana			Lata			
8.	108, Killa No 46/11/12/1/2, 46/11/12/1/3 Village Silokhara, Sector 41, Gurugram, Haryana, 122001	Hospital	Rented	Shri Niwas, Lajwanti, Parmod Kumar and Mukesh Kumar	01-04-2021 to 31-03-2026	10,50,000 /- p.m.	12,150
9.	Plot No-214, Sector-57, HSIIDC Kundli, Phase-Iv Industrial Estate, Kundli, Industrial Area, Sonipat, Haryana, 131028	Medicine Processing Units	Owned	KRM Ayurveda Limited	N.A.	N.A.	19,987
10.	Nh-8 Balicha, Near Sbi, Udaipur, Rajasthan	Hospital	Rented	Mr. Narayan Lal Dhabhai through Mr. Dinesh Chandra Dhabhai	15-06-2025 to 14-06-2034	3,00,000/-	20,000
11.	H.No. 113/13, Yojna, Pratap Nagar, Tehsil-Sanganer, Distt. Jaipur, Rajasthan	Hospital	Rented	Mr. Anil Kumar Meena	01-02-2025 to 31-01-2030	3,10,000/- p.m.	12,500
12.	Plot No 178, Vidyut Nagar, -C Gandhi Path , Vaishali Nagar, Jaipur-302021, Rajasthan	Hospital	Rented	Mr. Vishal Nagpal	01-11-2024 to 31-10-2033	2,30,000/- p.m.	5,950
13.	No. 4/447, Vikas Nagar, Opposite Vikas Nagar Thana, Lucknow-226022, Up	Hospital	Rented	Mr. Gaurav Jain	01-06-2024 to 31-05-2033	1,40,000 /- p.m.	5,856
14.	H.No. 2/258, Vishal Khand, Gomti Nagar, Ward-Rafi Ahmed Kidwai Nagar, Lucknow, UP-226010	Clinic	Rented	SS. Construction Proprietor Mr. Sulekha Singh	01-11-2024 to 31-10-2029	1,05,000 /- p.m.	2,152
15.	Property No. C-28, Sec-12, Noida, Distt. Gautam Budh Nagar, Uttarpradesh-201301	Clinic	Rented	Mr. Anil Singh Bhadauria and Naresh Kumar Verma	01-03-2023 to 28-02-2026	40,000/- p.m.	1,082
16.	668, 17 th Cross, JP Nagar 6 th Phase, Bangalore-560078	Clinic	Leased	T.J. Mohan Kumar	01-07-2025 to 30-06-2030	75,000 p.m.	1,293

** The lessor of the immovable properties as mentioned in the table fall under Promoters or Promoter Group hence are related party. All the transactions with these related parties are on arm's length price and in compliance with Companies Act and other applicable laws.*

We cannot assure you that we will be able to continue our current lease or facility arrangements on commercially acceptable or favorable terms in the future. These arrangements are subject to factors beyond our control, including changes in market rent, decisions by landlords.

In the event that we are required to vacate or are unable to renew our lease under acceptable terms, we would

need to identify, acquire, and transition to alternative premises. This would involve securing suitable office or operational space, establishing necessary infrastructure (including IT systems, communication networks, utilities, and security), and ensuring minimal disruption to our workforce and ongoing business processes. There can be no assurance that suitable alternative premises will be available in the same geographic area or within our expected budget.

Moreover, transitioning to new premises could be time-consuming and logistically challenging, potentially leading to delays in operations and loss of productivity. Additionally, the increased financial burden from higher lease charges, setup costs, and relocation expenses could negatively affect our overall profitability and strain our cash flows. However, our company has not faced any of such instances in the past while we cannot ensure it may not happen in the future.

3. Majority of our state wise revenues from operations for the last 3 years is majorly derived from our Top 2 States. Any adverse developments affecting our operations in this state could have an adverse impact on our revenue and results of operations.

A significant portion of our revenue is derived from operations in North India, particularly from our two flagship hospitals located in Gurugram and Delhi, which have been operational for over two years. These two hospitals contribute a substantial share to our overall business performance and are critical to our current revenue structure. As a result, our financial results are highly dependent on the continued success, growth, and uninterrupted operations of these facilities.

Despite having a presence across eight states in India, our revenue remains geographically concentrated. Specifically, the states of Delhi and Haryana alone contributed 56.39%, 50.93%, and 60.86% of our total revenue from operations for the financial years ending March 31, 2025, March 31, 2024, and March 31, 2023, respectively. This concentration indicates a significant reliance on a limited number of locations and increases our exposure to regional risks.

(Amount in Lakhs)

State	For the period ended March 31, 2025		For the period ended March 31, 2024		For the period ended March 31, 2023	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Delhi	2,215.69	28.94%	3,020.60	44.98%	5,125.30	57.40%
Haryana	2,101.39	27.45%	399.84	5.95%	308.51	3.46%
Total	4,317.08	56.39%	3,420.44	50.93%	5,433.81	60.86%
Revenue from operation	7,655.27	100.00%	6,715.57	100.00%	8,928.71	100.00%

** As Certified by M/s Shiv & Associates, Chartered Accountants dated September 11, 2025.*

Furthermore, if these hospitals fail to achieve the projected levels of patient traffic and revenue contribution, we may continue to bear high fixed operational costs such as staff salaries, maintenance expenses, and lease payments without corresponding income.

Any operational disruption—whether due to technical failures, staffing shortages, disease outbreaks, civil unrest, or regulatory action—could result in reduced patient footfall, service interruptions, or reputational damage, all of which could adversely impact our revenues, profitability, and growth trajectory. However, our company has not faced any of such instances in the past while we can not ensure it may not happen in the future.

4. Our business is working capital intensive, and fluctuations or inadequate financing of our working capital requirements may adversely affect our business, financial condition, and results of operations.

(Amount in Lakhs)

Particulars	March 31, 2023	March 31, 2024	March 31, 2025	March 31, 2026	March 31, 2027
	(Audited)	(Audited)	(Audited)	(Projected)	(Projected)
Current Assets					
Inventory	67.41	144.76	769.63	1,321.32	1,981.98
Trade Receivables	776.06	553.47	1,212.83	2,495.83	3,963.96
Other Current Assets	658.13	1,263.76	1,701.38	1,880.00	2,030.00
Short term loans and advances	43.30	42.08	25.89	150.00	190.00
Total CA	1,544.90	2,004.07	3,709.73	5,847.15	8,165.94
Current Liabilities					
Trade Payables	512.11	387.04	533.06	491.41	643.95
Other Current Liabilities	348.50	443.00	392.65	585.79	884.58
Short Term Provision	239.81	25.65	176.61	164.02	262.10
Total CL	1,100.42	855.69	1,102.32	1,241.22	1,790.62
WC Requirement (Excluding STB)	444.48	1,148.38	2,607.41	4,605.93	6,375.32
Short term borrowings	69.91	87.33	1,065.72	1,275.00	1,275.00
Internal Accruals	374.57	1,061.05	1,541.70	2,530.93	4,100.32
IPO Proceeds	-	-	-	800.00	1,000.00

**Working Capital Gap have been determined without borrowings and excluding operating cash and cash equivalents.*

JUSTIFICATION FOR WORKING CAPITAL REQUIREMENT

(Amount in Lakhs)

Till FY 2021–22, the Company was primarily engaged in telemedicine services. In FY 2022–23, it started setting up hospitals and clinics and pursued NABH accreditation. During FY 2023–24, the Company also obtained CGHS, ECHS, and insurance empanelment (secured in the second half of FY 2024).

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	7655.27	6715.57	8928.71
Sale of Products	4,923.30	6,063.62	8,340.52
%age of revenue from operations	64.31%	90.29%	93.41%
Sale of service	2,731.97	651.95	588.18
%age of revenue from operations	35.69%	9.71%	6.59%

Hospital services revenue grew nearly four times in FY 2024–25, with around 80% of this revenue coming from ECHS and CGHS empanelment. These payers typically have payment cycles of about 150–180 days, resulting in higher receivable days compared to telemedicine or cash-based sales.

In FY 2022–23, the Company made a strategic decision to expand into healthcare services by establishing hospitals and clinics offering various treatments and therapies, in addition to continuing its telemedicine operations.

This transition phase affected the performance in FY 2023–24, as revenues from product sales declined during the restructuring period. However, the strategy started delivering results in FY 2024–25, with total revenue from

operations reaching Rs. 7,655.27 lakh, of which healthcare services contributed Rs. 2,731.97 lakh—reflecting over 300% year-on-year growth. Going forward, the Company expects a continued strong growth trajectory and, accordingly, requires additional funding to meet its increasing working capital and operational needs.

S. No.	Particulars	Remarks
A	Current Assets	
1	Inventory	<p>The Company is engaged in operating hospitals and clinics, and in the sale of medicines through both its hospital pharmacies and telemedicine platforms. Until FY 2024–25, the majority of service revenue was generated from two well-established hospitals. From December 2024 onwards, the Company has expanded its footprint by setting up four additional hospitals across various locations in India.</p> <p>Originally established as a kidney care hospital, KRM Ayurveda has since evolved into a group of multi-specialty hospitals offering effective and natural treatments for a wide range of health conditions. The Company has also established a global presence through its virtual consultation services (telemedicine).</p> <p>In FY 2023, inventory stood at Rs. 67.41 lakh (3 days). This increased to Rs. 144.76 lakh (8 days) in FY 2024, mainly due to the expansion of services, which required maintaining higher stock levels. From December 2024 onwards, the opening of four new hospitals led to a one-time buildup of initial pharmacy stock at each location. In addition, the existing hospitals increased their patient throughput, necessitating higher working inventory to ensure uninterrupted supply of medicines.</p> <p>Consequently, in FY 2025, inventory rose to Rs. 769.63 lakh (37 days) as the Company's focus shifted toward healthcare services, requiring adequate stock levels across hospital pharmacies and clinic centers for daily operations and medicine sales.</p> <p>Looking ahead, inventory is expected to increase further to Rs. 1,321.32 lakh (45 days) in FY 2026, in line with growing patient volumes and the addition of new specialties. As hospital operations expand, pharmacy inventory will scale with treatment mix and medicine consumption. In FY 2027, inventory is projected to reach around 50 days, reflecting the continued growth in the number of hospitals and higher sales of medicines, while the Company continues to optimize inventory management over time.</p>
2	Trade Receivables	<p>In FY 2023, the Company's trade receivables stood at Rs. 776.06 lakh (32 days). This reduced to Rs. 553.47 lakh (30 days) in FY 2024, mainly due to lower sales during the business transition period. In FY 2025, trade receivables increased to Rs. 1,212.83 lakh (58 days), corresponding with a significant rise in revenue.</p> <p>As described above, the strategic changes in the business with a shift towards the services sector have also contributed to this increase, since the major debtors in the service segment are CGHS & ECHS and private insurance companies under cashless arrangements. While invoices are raised on the same day of treatment, collections are realized over extended periods of 150-180 days in the case of government agencies and 25-45 days in the case of private insurance players.</p> <p>Trade receivables summary: As at 31-Mar-2025: Rs. 12.13 crore As at 31-Mar-2024: Rs. 5.53 crore Break-up of receivables:</p>

		<p>31-Mar-2025: ECHS Rs. 6.06 crore (49.96%), CGHS Rs. 2.80 crore (23.08%), Insurance Rs. 0.13 crore (1.05%), Others Rs. 3.14 crore (25.92%) — CGHS and ECHS together form 73.0% of total receivables.</p> <p>31-Mar-2024: ECHS Rs. 1.84 crore (33.16%), CGHS Rs. 0.03 crore (0.63%), Others Rs. 3.66 crore (66.21%) — CGHS and ECHS together formed 33.8% of total receivables.</p> <p>Going forward, the Company expects trade receivable days to average around 85 days in FY 2026 (Rs. 2,495.83 lakh) and further increase to 100 days in FY 2027 (Rs. 3,963.96 lakh). This increase is mainly due to the rising contribution of hospital services revenue, which typically has a longer collection cycle. Trade receivables will continue to be a key component of the Company's working capital as the business expands.</p>
3	Other Current Assets (includes Short Term Advances)	<p>Other Current Assets mainly comprise advances to suppliers, balances with government authorities, deposits with banks, and other receivables.</p> <p>The balance under this head has increased from Rs. 701.43 lakh in FY 2023 to Rs. 1,305.84 lakh in FY 2024, and further to Rs. 1,727.27 lakh in FY 2025. For the projected years, it is expected to reach Rs. 2,220.00 lakh in FY 2026 and remain at a similar level of Rs. 2,220.00 lakh in FY 2027.</p> <p>The increase in Other Current Assets is primarily due to higher advances made to suppliers in line with growing operations and revenues. These advances help the Company secure better pricing and timely delivery of raw materials. The increase also includes advances to employees and other operational receivables..</p>
B	Current Liabilities	
1	Trade Payables	<p>The trade payable increased in FY 2024 as compared to FY 2023 from Rs. 512.11 lakhs to Rs. 387.04 lakhs due to fall in operation for that period.</p> <p>Further, there is an increase in Trade Payables days to 46 days in FY 2025, amounting to Rs. 533.06 Lakhs in comparison to FY 2024, the increase was due to the fact that there was an increase in the operations the raw material procured also saw a significant rise pertaining to which the trade payable saw a similar rise.</p> <p>For FY 2026 and FY27 standing at Rs.491.41 lakhs and Rs. 643.95 lakhs respectively as the company is planning for expansion through establishment of hospitals and increase in number of SKUs for which even higher procurement of raw material would be needed.</p>
2	Other Current Liabilities	<p>Other Current Liabilities, which mainly comprise advances from customers, salary and incentive payables, statutory dues, and expenses payables, were Rs.348.50 lakhs in FY 2023, Rs.443.00 lakhs in FY 2024, and Rs.392.64 lakhs in FY 2025.</p> <p>These are expected to increase to Rs.585.79 lakhs in FY 2026 and Rs.884.58 lakhs in FY 2027, in line with the growth of the Company's operations.</p>
3	Short Term Provision	<p>Short Term Provision includes provision for gratuity, Provision for Current Tax, Statutory Dues and provision for expenses.</p> <p>During the last three financial years amount is in the range of Rs. 25.65 lakhs to Rs. 239.81 Lakhs from FY 2023 to FY25. For the projected period, short term provision stands at Rs. 164.02 Lakhs & Rs. 262.10 Lakhs for FY 2026 & FY 2027 respectively.</p>
C	Short Term Borrowing	<p>The company anticipates meeting its working capital requirements primarily through short-term borrowing. It aims to maintain short-term borrowings at levels similar to those recorded during the audited period.</p> <p>The amount for short term borrowings stands at Rs. 69.91 Lakhs & Rs.</p>

		87.33 Lakhs in FY 2023 & FY 2024. The same increases to Rs. 1,065.72 Lakhs in FY 2025. For the projected period FY 2026 the amount should be Rs. 1,275.00 Lakhs & for FY 2027 it would be the same as FY26 at Rs. 1,275.00 lakhs
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5. We are dependent on third-party transportation service providers for delivery of our raw materials and finished products. Any disruption in such transportation arrangements or increase in transportation costs may materially and adversely affect our business, financial condition, results of operations, and cash flows.

Our Company does not entirely rely on its own transportation facilities and is substantially dependent on third-party transportation and logistics service providers for the delivery of both raw materials and finished products. Consequently, our business operations are subject to various risks associated with such dependence. Any disruption, delay, or inefficiency in transportation arrangements could have a material adverse effect on our operations. In the event of transportation restrictions or interruptions, such as strikes, lockouts, road blockages, natural disasters, adverse weather conditions, fuel shortages, or regulatory restrictions, the timely delivery of products to our customers or the receipt of raw materials from suppliers may be adversely affected. Further, goods in transit may be lost or damaged due to accidents, theft, mishandling, or other unforeseen events, which may result in financial loss, production delays, and potential damage to our customer and supplier relationships.

Failure to ensure timely delivery of our products may result in our inability to meet customer requirements in a timely manner or at all, which may lead to loss of sales, erosion of customer confidence, and an opportunity for our competitors to capture our market share.

In addition, any significant increase in fuel prices may result in higher freight and transportation charges levied by our logistics partners. Any significant disruption in the transportation and logistics network may materially and adversely affect our business, financial condition, results of operations, and cash flows. However, our company has not faced any disruption in the transportation in the past while we can not ensure it may not happen in the future.

6. Conflicts of interest may arise out of common business undertaken by our Company and our promoter.

One of our promoters runs a proprietorship firm 'Karma Ayurveda' to carry out business similar to that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and to the firm in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour that firm in which our Promoter has interest.

There can be no assurance that our Promoter or our Group Entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition. Further, our company have entered into a non-compete agreement dated August 25, 2025, to mitigate such risks.

8. A significant portion of our revenue is derived from patients who avail our hospital services through insurance providers. Any adverse change in the relationship with such insurers, delay in settlement of claims, or reduction in reimbursement rates may materially and adversely affect our business, financial condition, results of operations, and cash flows.

A significant number of patients availing our hospital services do so through third-party insurance providers, either under cashless arrangements or through reimbursement mechanisms. Consequently, our Company is substantially dependent on such third-party payers, including private insurance companies, government health schemes, and other corporate healthcare programs, for the realization of a material portion of our revenue.

Insurance companies and other payers often seek to revise tariff structures, impose stricter claim validation procedures, and delay settlements as part of their cost-containment measures. In addition, there can be no assurance that the terms and conditions governing our empanelment with insurance providers will remain favorable or unchanged in the future. If our Company is unable to successfully renegotiate or renew such

empanelment arrangements on commercially viable terms, it may lead to a reduction in the number of insured patients availing our services. Moreover, any adverse regulatory changes affecting the health insurance sector, new reimbursement guidelines, or modifications in cashless claim processes, may further impact the realization of revenue from insured patients. Such developments could materially and adversely affect our business, financial condition, results of operations, and cash flows. However, our company has not faced any delay in settlement of claims, or reduction in reimbursement rates in the past while we can not ensure it may not happen in the future.

13. The manufacture, sale, and use of Ayurvedic medicine products are subject to various risks, including contamination, adulteration, regulatory compliance, and potential adverse events. These risks may impact the Company's reputation, financial performance, and ability to serve clients effectively

Our business relies significantly on Ayurvedic medicines, which face evolving and complex regulatory requirements domestically and internationally. Ayurvedic products may contain heavy metals, pesticide residues, microbial contamination, or undeclared substances, posing risks of adverse health effects, regulatory actions, recalls, and litigation. Regulatory authorities in India and export markets such as the US, Canada, and Australia have issued safety alerts and import restrictions related to these concerns.

Changes in laws or stricter regulations may increase compliance costs, delay product approvals, restrict product lines, or impact exports. Limited scientific evidence supporting efficacy and safety claims could also lead to regulatory scrutiny or require withdrawal of claims or products. Public and media focus on safety issues and adverse events related to Ayurvedic products could reduce consumer confidence and demand, regardless of our compliance efforts. These factors may materially impact our business, reputation, financial condition, and growth prospects.

17. Our Company relies on a limited number of suppliers. The loss of any of these suppliers may disrupt our business operations and adversely affect our financial stability.

In the ordinary course of our operations, our Company has historically relied on a limited number of suppliers. The top ten suppliers contributed substantially to our total purchases during the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023. This concentration exposes us to operational risks in the event that any of these suppliers terminate or reduce their supply volumes.

(Amount in Lakhs)

Particulars	For the Year ended on March 31, 2025	For the Year ended on March 31, 2024	For the Year ended on March 31, 2023
Top 1 Supplier	383.23	251.62	380.02
% of Purchase	24.33%	23.27%	19.81%
Top 5 Suppliers	1050.11	643.71	1084.41
% of Purchase	66.67%	59.53%	56.54%
Top 10 Suppliers	1,344.12	796.22	1,467.20
% of Purchase	85.34%	73.64%	76.50%
Purchases made during the year	1,574.97	1,081.32	1,917.99

This supplier concentration exposes our Company to risks related to the continuity, quality, and pricing of supply. Any disruption, delay, or deterioration in the quality of products or services provided by these suppliers, or any adverse changes in the commercial terms offered by them, could materially affect our operational efficiency and profitability. Dependence on a concentrated supplier base further limits our negotiating power and increases vulnerability to supply chain interruptions arising from factors such as financial distress of the supplier, regulatory actions, natural disasters, or geopolitical events. Consequently, any significant disruption in our supply chain could have a material adverse effect on our business, financial condition and results of operations. However, our company has not faced any disruption in supply in the past while we can not ensure it may not happen in the future.

18. Company's operations and decisions are subject to lender's strict covenants and conditions

Our Company's operations and strategic decisions are subject to certain restrictive covenants and conditions imposed by our lenders under financing agreements. These covenants may include, restrictions on incurring additional indebtedness, creating encumbrances, undertaking new business activities, making certain investments, effecting corporate restructurings, declaring dividends, or carrying out significant expansion plans without prior lender approval. Further, these covenants may restrict us from taking certain steps like raising more loans, creating security on our assets, entering into mergers, making large investments, or paying dividends, unless we first take the lender's approval. If we fail to meet these conditions, the lenders may take action under the loan agreements, which could affect our business and financial results. Any breach of these covenants or non-compliance with such conditions may result in an event of default, which could adversely impact our financial condition, business operations, and growth prospects. However, the Company has obtained the necessary consent from the lenders for the IPO.

19. Our business operations are subject to various risks including operational complexities, dependence on quality raw materials, limited brand awareness in certain regions, increasing competition, evolving regulatory requirements, economic fluctuations, and potential misinformation regarding Ayurveda, any of which may materially and adversely affect our business, financial condition, results of operations, and cash flows.

Our business also depends significantly on the continued availability and consistent quality of herbs and other raw materials used in the preparation of Ayurvedic medicines and wellness products. Any shortage, deterioration in quality, of such raw materials could disrupt our production processes, increase operational costs, and adversely affect our profitability. Further, establishing brand recognition and consumer trust in such regions requires significant time and investment. Failure to effectively promote our brand or to differentiate our services from competitors may result in slower growth or reduced market penetration in these areas.

We also face competition from both modern healthcare providers and other Ayurvedic or traditional medicine chains. If we are unable to compete effectively or maintain our service differentiation, our revenues and operating margins could be adversely affected. In addition, any changes in applicable laws or delays in obtaining or renewing necessary approvals, licenses, or registrations could adversely impact our business operations.

Furthermore, the Ayurveda sector as a whole faces challenges arising from misinformation or misconceptions regarding its efficacy and scientific basis. The spread of inaccurate information through media or online platforms could negatively influence consumer perception, reduce trust in Ayurvedic treatments, and impact the demand for our products and services. Any of the foregoing factors, individually or collectively, may materially and adversely affect our business operations, financial condition, results of operations, cash flows, and reputation.

20. The Merchant Banker of the Company lacks prior experience in managing IPOs, which may pose risks related to disclosures, execution efficiency, and regulatory compliance. Any shortcomings in these areas could affect the timing and success of the Issue

Merchant Banker of the Issuer Company does not have a prior track record of managing initial public offerings ("IPOs"). There can be no assurance that the Merchant Banker appointed for this Issue possesses any prior experience in handling initial public offerings. Accordingly, the absence of any demonstrable track record may increase the risks relating to the accuracy and adequacy of disclosures, efficient execution of the IPO process, and regulatory compliance. Any shortcomings in these areas could adversely affect the timing, marketing, and overall success of this Issue. Investors should rely on their own examination of our Company, the Offer, and the credentials of the intermediaries associated with this Issue prior to making an investment decision.

22. We are exposed to consumer complaints and potential litigation due to the nature of our products.

Since we are operating in the D2C (Direct to consumer) segment we are always vulnerable to consumer complaints. Claims and complaints in the normal course of business can arise out of dissatisfaction from the product or damaged products received or any aftereffects they might encounter after its use or having results different from what was advertised, or they were anticipating. These complaints, if not resolved to the satisfaction of the consumer, can result in potential litigations which if proven against the company can result in fine and penalties impacting our cash flows. Further, this could tarnish the image of the company as well as of the products which might result in a

decrease in sale of specific and other products also in our portfolio. The details of the complaints received for the last three financial years are mentioned herein below:

For FY 2024-2025							
S. No.	Party Name*	Complaint Subject	Complaint Date	Resolution Date	Remarks	Action Taken	Status
1	Complaint-1	Delivery & Logistics	28-Jan-25	28-Jan-25	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved
2	Complaint-2	Delivery & Logistics	21-Feb-25	21-Feb-25	Received less medicines	Medicine Delivery Arranged	Resolved
3	Complaint-3	Billing & Payments	26-Mar-25	26-Mar-25	Invoice not received	Invoice Arranged	Resolved
4	Complaint-4	Return & Refund	7-Feb-25	3-Apr-25	Patient refused medicines	80% Refund Done	Resolved
5	Complaint-5	Return & Refund	21-Feb-25	1-Apr-25	Patient refused medicines	80% Refund Done	Resolved
6	Complaint-5	Return & Refund	31-Dec-24	2-Apr-25	Patient refused medicines	80% Refund Done	Resolved
7	Complaint-7	Return & Refund	23-Oct-24	4-Apr-25	Patient refused medicines	80% Refund Done	Resolved
8	Complaint-8	Return & Refund	19-Dec-24	8-Apr-25	Patient refused medicines	80% Refund Done	Resolved
9	Complaint-9	Return & Refund	21-Dec-24	8-Apr-25	Patient refused medicines	80% Refund Done	Resolved
10	Complaint-10	Return & Refund	13-Feb-25	9-Apr-25	Patient refused medicines	80% Refund Done	Resolved
11	Complaint-11	Return & Refund	22-Mar-25	12-Apr-25	Patient refused medicines	80% Refund Done	Resolved
12	Complaint-12	Return & Refund	22-Feb-25	17-Apr-25	Patient refused medicines	80% Refund Done	Resolved
13	Complaint-13	Return & Refund	25-Jan-25	24-Apr-25	Patient refused medicines	80% Refund Done	Resolved
14	Complaint-14	Return & Refund	12-Mar-25	25-Apr-25	Patient refused medicines	80% Refund Done	Resolved
15	Complaint-15	Return & Refund	25-Jan-25	29-Apr-25	Patient refused medicines	80% Refund Done	Resolved
16	Complaint-16	Service Issues	7-Jan-25	7-Jan-25	Creatinine level increase	Dr Call Arranged	Resolved
17	Complaint-17	Service Issues	7-Mar-25	7-Mar-25	Creatinine level increase	Dr Call Arranged	Resolved
18	Complaint-18	Service Issues	13-Mar-25	13-Mar-25	Creatinine level increase	Dr Call Arranged	Resolved
19	Complaint-19	Service Issues	7-Dec-24	7-Dec-24	No improvement in health	Dr Call Arranged	Resolved
20	Complaint-20	Service Issues	21-Mar-25	21-Mar-25	No improvement in health	Dr Call Arranged	Resolved
21	Complaint-21	Service Issues	30-Jan-25	1-Feb-25	Specific Ask for Dr. Arun only	Dr Call Arranged	Resolved
22	Complaint-22	Delivery & Logistics	3-Mar-25	6-Mar-25	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved
23	Complaint-23	Service Issues	28-Mar-25	28-Mar-25	Bill & Prescription not received	Bill & Prescription Arranged	Resolved
24	Complaint-24	Delivery & Logistics	24-Feb-25	25-May-25	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved
25	Complaint-25	Service Issues	7-Jan-25	8-Jan-25	Patient not satisfied	Dr Call Arranged	Resolved
26	Complaint-26	Delivery & Logistics	25-Feb-25	19-Mar-25	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved
27	Complaint-27	Return & Refund	29-Mar-25	30-Apr-25	Patient refused medicines	80% Refund Done	Resolved
28	Complaint-28	Return & Refund	21-Mar-25	10-May-25	No improvement case, Refund medicine	80% Refund Done	Resolved
29	Complaint-29	Delivery & Logistics	17-Mar-25	17-Mar-25	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved
30	Complaint-30	Product Issues	7-Feb-25	8-Feb-25	Damaged medicine received	Medicine Delivery Arranged	Resolved
31	Complaint-31	Delivery & Logistics	6-Feb-25	6-Feb-25	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved
32	Complaint-32	Delivery & Logistics	20/Mar/25	28/Mar/25	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved

33	Complaint-33	Service Issues	3-Jun-24	3-Jan-24	No improvement in health	Dr Call Arranged	Resolved
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For FY 2023-2024							
S. No.	Party Name*	Complaint subject	Complaint Date	Resolution Date	Remarks	Action Taken	Status
1	Complaint-1	Service Issues	25-Oct-23	30-Oct-23	No improvement in health	Dr Call Arranged	Resolved
2	Complaint-2	Service Issues	25-Oct-23	30-Oct-23	No improvement in health	Dr Call Arranged	Resolved
3	Complaint-3	Delivery & Logistics	1-Oct-23	4-Oct-23	Received less medicines	Medicine Delivery Arranged	Resolved
4	Complaint-4	Delivery & Logistics	30-Jun-23	2-Jul-23	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved
5	Complaint-5	Service Issues	30-Nov-23	30-Nov-23	No improvement in health	Dr Call Arranged	Resolved
6	Complaint-6	Service Issues	10-May-23	10-May-23	No improvement in health	Dr Call Arranged	Resolved
7	Complaint-7	Service Issues	25-May-23	25-May-23	No improvement in health	Dr Call Arranged	Resolved
8	Complaint-8	Delivery & Logistics	18-Jun-23	18-Jun-23	Received less medicines	Medicine Delivery Arranged	Resolved
9	Complaint-9	Delivery & Logistics	15-Jul-23	18-Jul-23	Received less medicines	Medicine Delivery Arranged	Resolved
10	Complaint-10	Service Issues	8-Nov-23	8-Nov-23	No improvement in health	Dr Call Arranged	Resolved
11	Complaint-11	Delivery & Logistics	15-Dec-23	20-Dec-23	Received less medicines	Medicine Delivery Arranged	Resolved
12	Complaint-12	Delivery & Logistics	30-Jul-23	2-Aug-23	Received less medicines	Medicine Delivery Arranged	Resolved
13	Complaint-13	Service Issues	15-May-23	15-May-23	No improvement in health	Dr Call Arranged	Resolved
14	Complaint-14	Service Issues	30-Jun-23	30-Jun-23	No improvement in health	Dr Call Arranged	Resolved
15	Complaint-15	Service Issues	2-Jul-23	2-Jul-23	No improvement in health	Dr Call Arranged	Resolved
16	Complaint-16	Service Issues	18-Jul-23	18-Jul-23	No improvement in health	Dr Call Arranged	Resolved
17	Complaint-17	Service Issues	5-Aug-23	5-Aug-23	No improvement in health	Dr Call Arranged	Resolved
18	Complaint-18	Service Issues	27-Aug-23	27-Aug-23	No improvement in health	Dr Call Arranged	Resolved
19	Complaint-19	Service Issues	28-Dec-23	28-Dec-23	No improvement in health	Dr Call Arranged	Resolved
20	Complaint-20	Service Issues	9-Oct-23	9-Oct-23	No improvement in health	Dr Call Arranged	Resolved
21	Complaint-21	Service Issues	5-Sep-23	5-Sep-23	No improvement in health	Dr Call Arranged	Resolved
22	Complaint-22	Service Issues	9-Dec-23	9-Dec-23	No improvement in health	Dr Call Arranged	Resolved
23	Complaint-23	Service Issues	27-Dec-23	27-Dec-23	No improvement in health	Dr Call Arranged	Resolved
24	Complaint-24	Service Issues	2-Jan-24	2-Jan-24	No improvement in health	Dr Call Arranged	Resolved
25	Complaint-25	Service Issues	15-Feb-24	15-Feb-24	No improvement in health	Dr Call Arranged	Resolved
26	Complaint-26	Service Issues	30-Mar-24	30-Mar-24	No improvement in health	Dr Call Arranged	Resolved
27	Complaint-27	Service Issues	18-Dec-23	18-Dec-23	No improvement in health	Dr Call Arranged	Resolved

For FY 2022-2023							
S. No.	Party Name*	Complaint subject	Complaint Date	Resolution Date	Remarks	Action Taken	Status
1	Complaint-1	Delivery & Logistics	5-Jun-22	8-Jun-22	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved
2	Complaint-2	Delivery & Logistics	20-Nov-22	20-Nov-22	Received less medicines	Medicine Delivery Arranged	Resolved
3	Complaint-3	Delivery & Logistics	30-Apr-22	30-Apr-22	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved
4	Complaint-4	Service Issues	11-Jun-22	12-Jun-22	No improvement in health	Dr Call Arranged	Resolved

5	Complaint-5	Delivery & Logistics	3-Oct-22	3-Oct-22	Delay in Medicine Delivery	Medicine Delivery Arranged	Resolved
6	Complaint-6	Service Issues	28-Apr-22	1-Mar-22	No improvement in health	Dr Call Arranged	Resolved
7	Complaint-7	Service Issues	30-Apr-22	4-Mar-22	No improvement in health	Dr Call Arranged	Resolved
8	Complaint-8	Service Issues	20-Aug-22	20-Aug-22	No improvement in health	Dr Call Arranged	Resolved
9	Complaint-9	Service Issues	28-Feb-23	28-Feb-23	No improvement in health	Dr Call Arranged	Resolved

**Party names are not disclosed due to confidentiality.*

*** Losses occurred due to such disputes are not material in nature and have no impact on the operations of the Company.*

26. Operating a network of clinics and hospitals across diverse regions poses challenges in maintaining consistent service and care standards. Variations in expertise, infrastructure, and regulations may lead to inconsistencies affecting patient trust and reputation.

Our Company operates a network of clinics and hospitals located in diverse geographic regions. The maintenance of uniform standards of service delivery, product handling, treatment protocols, and patient care across these locations entails significant operational challenges. Factors such as variations in practitioner expertise, infrastructure adequacy, staff training, local regulatory requirements, and operating conditions. Any deviation from established protocols or lapses in adherence to relevant regulatory guidelines at any location may lead to inconsistency in patient outcomes and product or service quality, which could adversely impact patient trust, our reputation, and our financial performance. These risks, if materialized, could adversely affect our business, financial condition, and prospects. Our company has not faced any of such instances in the past while we can not ensure it may not happen in the future.

27. Our Ayurveda product processing relies on the timely and consistent supply of quality herbs and natural raw materials from third-party suppliers. Factors like seasonal changes or supply disruptions could affect product quality and availability, impacting our operations and financial performance.

Our Company's processing of Ayurveda products depends significantly on the timely and adequate procurement of various herbs and natural raw materials, which are sourced from third-party suppliers. The availability and consistent quality of these ingredients are influenced by factors such as seasonal changes, environmental regulations and agricultural practices. Any disruption in supply, inconsistency in potency, adulteration, contamination, or failure by suppliers to meet prescribed quality standards may adversely impact the safety, efficacy, and uniformity of our products. Any material impact in the availability or quality of herbs and raw materials may adversely affect our business operations, financial performance, and future prospects. Our company has not faced any of such constraint in the past while we can not ensure it may not happen in the future.

28. Our Company is expanding its network into new regions with limited brand recognition which may require higher marketing efforts and could result in slower initial growth.

Our Company is in the process of expanding its network of clinics and hospitals into new geographic regions where our brand currently has limited recognition. The success of our operations in these markets is dependent on our ability to effectively establish and promote brand visibility, build consumer trust, and compete with established players. Due to low initial brand awareness, patient acquisition and product acceptance may be slower than anticipated, which may require significant marketing and promotional expenditures.

29. The healthcare and Ayurveda sectors are highly competitive, with many established players possessing strong brands, broad networks, and greater resources. This competition may impact our ability to attract and retain patients, pressure pricing, and require continuous investment.

The healthcare industry, including the Ayurveda segment, is characterized by intense competition from a wide range of participants, including modern healthcare providers and numerous Ayurveda chains. Many competitors benefit from strong brand recognition, extensive distribution networks, diversified product portfolios, and significant financial and technological resources. This competitive environment may limit our ability to attract and retain patients and customers, place pressure on pricing, and necessitate continuous investments in marketing,

innovation, and service quality. Failure to effectively compete and differentiate our offerings may adversely affect our market share, profitability, and overall business prospects. Moreover, rapid changes in consumer preferences and regulatory landscapes further intensify the competitive challenges we face. Any adverse impact from these factors could materially and adversely affect our business, financial condition, and future growth.

30. Our operations are governed by diverse and evolving central and state regulations in India, making uniform compliance across locations challenging. Any failure to meet regulatory requirements could lead to penalties, legal liabilities, or reputational harm, potentially affecting our business and growth prospects.

Our operations, including production and healthcare services, are subject to evolving regulatory frameworks under various central and state laws in India. Compliance requirements—including licensing, quality standards, safety protocols, labeling, advertising etc. may vary significantly between states, creating complexities in maintaining uniform regulatory adherence across our clinics, hospitals, and manufacturing facility. Failure to comply with applicable regulatory requirements in any jurisdiction may expose us to penalties, legal liabilities, injunctions, or reputational harm. The multiplicity and variability of regulatory environments across states thus pose operational challenges and risks that could materially and adversely affect our business, financial condition, and growth prospects.

31. Any misconduct, negligence, or errors by our employees or agents could expose us to operational, legal, and reputational risks, which may materially and adversely affect our business, financial condition, results of operations, and goodwill.

The success of our Company largely depends on the integrity, diligence, and ethical conduct of our employees, officers, and agents. Despite the implementation of internal controls, compliance frameworks, and monitoring mechanisms, there can be no assurance that all instances of misconduct or errors by our employees or agents will be prevented or detected in a timely manner, or at all.

Furthermore, our employees may commit inadvertent errors, omissions, or acts of negligence in the course of their duties, which could expose us to legal proceedings, third-party claims, and potential liabilities. Any such misconduct, negligence, or violation of internal policies could subject our Company to significant business, operational, financial, and reputational risks. However, we have not faced such instance in the past years of operations, however, we can not ensure that such instance may not happen in future.

32. Our Company may be subject to acquisition or actions relating to infringement or misappropriating intellectual property rights or confidential know-how of third parties.

As on the date of this Draft Red Herring Prospectus, we own a number of intellectual property rights, the status of some of which is “Registered”. Our company has recently applied for the registration of our logo, which is currently objected. If we are unable to secure the trademark registration in the future, or if we lose the trademark, it could negatively impact our business operations and harm our brand image and recognition within the industry. details of which are given on page no. 164 in the chapter “Our Business” of this Draft Red Herring Prospectus.



Any claims by third parties that our Company is infringing or otherwise violating their proprietary technology or other intellectual property rights could harm our business. A considerable number of businesses in our industry have applied for a number of patents and have also taken measures to protect their copyrights, trade secrets and other intellectual property rights.

As we face increasing competition, the possibility of receiving a larger number of intellectual properties claims against us grows. Additionally, the intellectual property portfolios of our competitors may be wider than ours, and this difference may increase the risk that our competitors may initiate action against us for intellectual property infringement and may limit our ability to counterclaim for such infringement. In such a situation, we may also have to additionally incur litigations expenses. In addition, in the event we recruit personnel from our competitors;

we may be subject to allegations that such personnel have divulged proprietary or other confidential information to us.

Any sort of such action initiated against us, irrespective of such action having merit could require significant time and attention from our senior management or compel us to execute unfavourable royalty or license agreements which may not be on commercially reasonable terms, if at all or require us to indemnify our clients or third-party service providers. Any of the foregoing could adversely affect our business, financial condition and results of operations. However, our company has not faced any of such instance in the past, while we cannot ensure it may not happen in future.

33. We have in past entered into related party transactions and we may continue to do so in the future.

Our Company has entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. We have in the past also entered into transactions with other related parties. However, we confirm that the related party transactions entered into with Promoters/ Directors/ Promoter Group is in compliance with Section 188 of Companies Act, 2013 and other applicable laws and we confirm that the future transactions shall be in compliance with Companies Act, SEBI Regulation etc.

A. Names of related parties and nature of relationship:

Particulars	Name
a) Key Management Personnel (KMP)	Puneet Dhawan Tanya Dhawan Sanchit Hans Pooja Garg Som Dev Dhawan (Director upto 26-12-2024)
b) Relatives of Key Management/ Companies Controlled by relatives	Som Dev Dhawan Aruna Dhawan
c) Entities over which KMPs have significant influence.	Karma Ayurveda Blue Bliss Motels & Resorts Karma Life Care LLC Karma Online Services LLC

B. Transactions with related parties are as follows:

(Amount in Lakhs)

Particulars	For the year ended		
	31-Mar-25	31-Mar-24	31-Mar-23
Remuneration Paid	158.22	90.00	91.60
Som Dev Dhawan	49.00	60.00	60.00
Sanchit Hans	18.59	18.00	19.60
Tanya Dhawan	6.00	12.00	12.00
Puneet Dhawan	84.00	-	-
Pooja Garg	0.63	-	-
Consultancy	6.00	-	-
Tanya Dhawan	6.00	-	-
Purchase (Fixed Assets)	6.50	2.50	-
Karma Ayurveda (Gross)	6.50	2.50	-
Royalty	100.00	100.00	100.00
Puneet Dhawan	100.00	100.00	100.00
Rent Paid/ Lease Rent	182.31	170.21	120.36
Puneet Dhawan	164.26	153.87	110.45
Som Dev Dhawan	18.05	16.34	9.91

Purchase (Fixed Assets)	14.14	-	-
Blue Bliss Motels & Resorts	14.14	-	-
Sales	2,363.66	648.38	-
Karma Ayurveda (Gross)	-	6.64	-
Karma Life Care LLC	1,722.85	598.96	-
Karma Online Services LLC	640.81	42.78	-
Interest Paid	-	0.09	0.09
Aruna Dhawan	-	0.09	0.09
Loan Accepted	-	-	45.00
Aruna Dhawan	-	-	45.00
Loan Repaid	-	45.00	1.00
Aruna Dhawan	-	45.00	-
Tanya Dhawan	-	-	1.00

C. Balances outstanding are as follows:

(Amount in Lakhs)

Particulars	As at		
	31-03-2025	31-03-2024	31-03-2023
Royalty Payable	98.00	-	13.00
Puneet Dhawan	98.00	-	13.00
Balances of related Parties	(176.78)	78.89	-
Karma life care LLC	(67.89)	(94.66)	-
Karma online services LLC	(108.89)	15.77	-
Remuneration Payable	8.66	4.61	3.51
Som Dev Dhawan	1.90	3.35	2.25
Puneet Dhawan	4.90	-	-
Sanchit Hans	1.86	1.26	1.26

For further details, please refer to the chapter titled “Financial Information – Restated Financial Information – “Note 28” Restated Statement of Related Party Transactions”. While we believe that all our related party transactions have been conducted on an arm’s length basis as per the Companies Act, 2013, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

Moreover, any false rumors or allegations by any person regarding our product or its intended use can result into negative publicity and loss of confidence of consumers which in turn will result into loss of market share, brand value, negative financial impact. Further in addressing the claims and litigations resources such as time, effort and money will be utilized, which will affect the financial resources as well as the reputation of the company. No such complaints are pending as on the date of this Draft Red Herring Prospectus. We do not guarantee that we won’t be facing any such complaints or litigations in future but if liabilities arise this could have material adverse impact on the financials, business and operations.

37. Certain offices, clinics and hospitals of our Company operate from premises taken on lease basis, and any non-renewal, termination or adverse modification of such arrangements may materially and adversely affect our operations, financial condition and results of operations.

Certain offices, clinics and hospitals of our Company operate from premises taken on lease basis, and any non-renewal, termination or adverse modification of such arrangements may materially and adversely affect our operations, financial condition and results of operations. A significant portion of our clinical infrastructure is located on rented properties, which are typically subject to fixed terms including other conditions that may increase our occupancy costs or restrict our ability to use, renovate or expand such premises as per business requirements. There can be no assurance that such agreements will be renewed on similar terms, or at all, or that we will be able to secure alternative suitable premises in a timely and cost-effective manner in the same micro-markets, which may lead to disruption of services, loss of patients and reputational impact. Further, any disputes with landlords, non-compliance with lease covenants or changes in applicable local laws could also have an adverse effect on our business and prospects. However, Company has not faced any such instances previously.

40. Inadequate insurance coverage, delay in settlement of insurance claims, or non-renewal of insurance policies may materially and adversely affect our business, financial condition, results of operations, and cash flows.

We have obtained a number of insurance policies in connection with our operations, for further information, please refer to chapter titled “Our Business – Insurance” on page 198.

Our Company has the insurance coverage currently maintained by us is reasonably adequate to cover the general risks associated with our operations, there can be no assurance that such insurance coverage will be sufficient to protect us against all potential losses or liabilities that may arise in the course of our business. Our insurance policies are subject to limitations, deductibles, exclusions, and conditions, and may not cover all potential risks or losses that we may face.

Further, certain losses, particularly those arising from unforeseen events, negligence, acts of third parties, or specific types of business interruptions, may not be covered under the policies currently held by us. In the event of a major incident, our insurance coverage may prove inadequate to compensate for the actual losses incurred.

Additionally, there can be no assurance that any claim made by our Company under existing insurance policies will be honoured, either in full, in part, or in a timely manner. Insurance providers may reject or contest claims on various grounds, including alleged non-compliance with policy terms or exclusions applicable to the event. Any delay or denial in the settlement of valid claims could have a material adverse impact on our liquidity, cash flows, and financial condition. Our company has not faced any of such instance in the past, while we cannot ensure it may not happen in future.

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SECTION IV- INTRODUCTION

OBJECTS OF THE ISSUE

1. Capital Expenditure for Construction and Development of Telemedicine Operational Facilities

Our company intends to deploy Net Proceeds from the issue aggregating to Rs. 1366.68 Lakhs to meet out the Construction and Development of Office Building for Operational facilities of our company for expanding our business operations. The project involves the development of a new multi-storey building on freehold land owned by the Company. The old structure at the site will be dismantled, and the new building will be developed with modern facilities. Address of the land where the proposed telecommunication center shall be setup is **A-36, G. T. Karnal Road, Industrial Area, Adarsh Nagar, North West Delhi, Delhi – 110033, India. This premises shall be used solely for the Company’s commercial operations.**

The funds will cover all associated costs, including site development, building construction, and interior finishing. We believe that this strategic investment in infrastructure is essential for our long-term growth and will strengthen our competitive position in the market.

Presently registered office of the Company is situated at A-16 G T Karnal Road Industrial Area, Delhi, North West- 110033, Delhi which is on rented premises. Further teleconsultation services are also being operated from this office. This project of construction of new premises of the Company will save rent.

Further this will create a unified, modern, and efficient corporate office environment, bringing together employees under one roof. The infrastructure will support KRM Ayurveda’s growth in telemedicine, Ayurveda-based healthcare services, and marketing expansion. It is also expected to improve operational efficiency, and long-term scalability. This will also help our Company to build valuable assets for the future.

The proposed capex is commercially and operationally justified on the following specific grounds:

- (i) **Elimination of recurring rent (direct annual saving):** The Company currently operates its telemedicine facility from rented premises, incurring a rental outflow of ~Rs. 78 lakh per annum. On commissioning the proposed company-owned telemedicine facility, this recurring outflow will be eliminated, resulting in a direct annual saving of ~Rs. 78 lakh (exclusive of any future rent escalations and deposits/lock-in related costs).
- (ii) **Capacity creation to support scale-up:** The current seating capacity is ~200–220. The proposed facility is designed for ~500 seats, creating incremental capacity of ~280–300 seats (a 2.3x–2.5x increase) to comfortably accommodate the expanded Telemedicine and Marketing teams and ensure adequate bench for training/quality.
- (iii) **Strategic fit with the operating model and growth:** Telemedicine is a core, omni-channel front-end for patient triage, helplines, follow-ups and digital documentation, feeding OPD/IPD volumes at the hospitals/clinics and supporting CGHS/ECHS and insurance workflows. The enlarged facility underpins service levels and operational readiness as we scale the hospital network and empanelment-driven patient base

Estimated Cost

<i>(Amount in Lakhs)</i>				
Sr. No.	Name of item	Area (in sq. mt.)	Rate	Amount

2. Purchase of CRM Software and Hardware Infrastructure

Our company intends to deploy Net Proceeds from the issue aggregating to **Rs 141.55 Lakhs** to meet out the capital expenditure requirement of our company for set up of CRM Software and purchase of Hardware and Software. This will include CRM software and 130 quantities of Desktop and 25 quantities of printers with scanners.

CRM SOFTWARE:

CRM software centralizes patient data and maintains appointment histories. It will enable us for personalized interactions, faster response times. This will result into improved patient retention. It also securely stores medical records and track patient inquiries. Availability of segment data will enable us for focusing on more targeted care, reducing errors and administrative burdens. Automating tasks like appointment scheduling, follow-ups, and internal workflows will minimizes operational burden and improves team productivity.

At present, the Company carries out its operations using third-party platforms such as Kansoft, Vaidya Manager, and Google Spreadsheets for managing patient data and internal processes.

With the development of a self-built CRM system, the Company aims to streamline its operations and eliminate the need to use multiple platforms simultaneously. This will not only improve efficiency and user experience for employees but also result in significant annual cost savings currently incurred by the Company.

Additionally, the in-house CRM will enhance data security by ensuring that all information is stored and managed within the Company's own systems, thereby minimizing external data sharing and safeguarding proprietary and patient-related data.

Our Company has made the following investments in information technology during the past 3 financial years is given below:

Software used during FY 2022-23			
S. No.	Name of software	Purpose	Annual Payment
1	Kansoft	Maintained access to domestic patient data	7,52,760
2	Vaidyamanager - PD	Maintained access to IPD patient data	15,340
Total			7,68,100

Software used during FY 2023-24			
S. No.	Name of software	Purpose	Annual Payment
1	Kansoft	Maintained access to domestic patient data	2,43,000
2	Vaidyamanager - PD	Maintained access to IPD patient data	1,57,073
Total			4,00,073

Software used during FY 2024-25			
S. No.	Name of software	Purpose	Annual Payment
1	Kansoft	Maintained access to domestic patient data	2,43,000
2	Vaidyamanager - PD	Maintained access to IPD patient data	65,581
Total			3,08,581

Rationale for investment in CRM Software:

This strategic investment is undertaken to enhance the efficiency and effectiveness of our customer engagement, marketing, sales, and service processes. While the Company currently utilizes other technologies, the CRM software will enable integrated management of customer data and interactions, providing advanced analytics, automation, and personalized communication capabilities that are critical for scaling operations.

This technological enhancement is expected to improve lead tracking, customer retention, complaint resolution, and cross-functional collaboration, thereby strengthening the Company's ability to foster sustainable customer relationships and drive revenue growth. Furthermore, the CRM system will support the Company's long-term growth plans by facilitating data-driven decision-making and providing a scalable platform adaptable to increasing customer volumes and business complexity.

The Quotations for one time cost of CRM Software received from Web Tycoon dated September 06, 2025 are as follows:

(Rs. In Lakhs)		
S. No.	Particulars	Amount
1.	Research and prototyping	5.00
2.	Mock ups	4.00
3.	Designs	5.00
4.	Development, tools, & Security	14.00
5.	Testing	4.00
6.	Analysis	4.00
7.	Deployment	4.00
	Total Cost	40.00

Note 1: The above calculations are based on standard prices, but prices from the Vendor are subject to change at time of the transaction depending on market situation.

Note 2: This quotation is exclusive of GST.

Note 3: Further, our Promoters, Directors, Key Managerial Personnel and the Group Companies do not have any interest in the proposed acquisition of the equipment or in the entity from whom we have placed purchase orders in relation to such proposed acquisition of the equipment.

Note 4: In case of any increase in purchase consideration, the same will be funded by the company through internal accruals.

Note 5: This quotation is valid for 6 months

Note 6: Expenses forming part of purchase of software are limited to purchase of software only and not related to R&D.

HARDWARES:

Rationale for investment in Hardwares:

The disclosed hardware expenditure is driven by operational needs tied to the Company's telemedicine division, a key growth vertical for patient outreach and product sales.

1. Expansion of Telemedicine Team

The telemedicine team currently has a marketing and sales headcount of 178 persons as of March 31, 2025. Following the construction of a new corporate and telemedicine facility, the team's capacity is planned to increase substantially and potentially accommodating 450-500 personnel at the proposed telecommunication center shall be setup is A-36, G. T. Karnal Road, Industrial Area, Adarsh Nagar, North West Delhi, Delhi – 110033, India. To support this scale-up, the Company intends investment in hardware.

2. Requirement for Additional Hardware

With the anticipated growth in headcount, additional hardware assets including laptops, desktops, and printers are essential. The procurement plans for approximately 130 desktop computers and 25 printers. The hardware specifications—featuring modern processors, sufficient RAM, and network capabilities—are aimed at supporting onboarding, training, teleconsultations, and reporting functions effectively.

3. Linkage to Business Growth

Telemedicine vertical is not just a clinical channel but also drives sales of Ayurvedic products. Productivity enhancements from hardware upgrades facilitate faster patient interactions, increase appointments handled per executive, and improve user experience and conversion rates. This expenditure is a strategic investment aligned with the company's goal to scale operations and boost efficiency across patient care and product sales channels.

3. Human Resources

Our Company is presently running 6 Ayurvedic Hospitals and 5 Clinics and in process of expanding its operations. Our Company wants to strengthen operations and enhance the human resource capabilities of our Ayurvedic hospitals and clinics. The Company requires Doctor, Nurse, Therapist, Housekeeping, Billing Executive and Admin / Manager to strengthen the operation. Accordingly, the Company proposes to utilise **Rs. 543.82 Lakh** of the issue proceeds for manpower hiring.

The break-up of employee benefit expenses incurred by the Company during last three years in percentage to revenue is as follow:

(Amount in lakhs)

Particulars	for the year ended 31 March 2025	% of revenue	for the year ended 31 March 2024	% of revenue	for the year ended 31 March 2023	% of revenue
Salaries and Wages	1,346.63	17.59%	1,492.78	22.23%	1,424.56	15.95%
Salary Incentives	268.59	3.51%	278.30	4.14%	334.06	3.74%
EPF Employees Contribution	42.86	0.56%	53.26	0.79%	32.53	0.36%
ESI Employees Contribution	5.11	0.07%	9.79	0.15%	2.73	0.03%
Other Benefits to Staff	10.59	0.14%	8.75	0.13%	-	0.00%
Director Remuneration	157.86	2.06%	78.00	1.16%	79.60	0.89%
Gratuity expenses	33.17	0.43%	15.38	0.23%	16.14	0.18%
Staff Welfare	5.18	0.07%	11.72	0.17%	21.51	0.24%
Total	1,869.98	24.43%	1,947.99	29.01%	1,911.13	21.40%
Revenue from Operation	7,655.27		6,715.57		8,928.71	

Basis for Number of Employees

The estimation of manpower requirements has been derived from the existing operational framework. We have considered the historical deployment of doctors, therapists, nurses, and administrative personnel engaged at the existing hospitals as follows:

Particulars				As on 31 March 2023				As on 31 March 2024				As on 31 March 2025				Additional Staff Required					
S. No.	Location	Category	Remarks	Doctors	Thera- pists	Others*	Total	Doctors	Thera- pists	Others*	Total	Doctors	Thera- pists	Others*	Total	Doctors	Nurse	Thera- pist	House Keeping	Billing Executi ve	Admin/ Manager
1	Delhi & Gurugram	Hospital	2 fully operational	14	27	46	87	15	31	45	91	14	58	50	122	6	5	6	2	5	3
2	Udaipur	Hospital	New	-	-	-	-	-	-	-	-	2	6	5	13	8	5	5	2	2	2
3	Jaipur Vaishali Nagar	Hospital	New	-	-	-	-	2	-	2	4	2	8	4	14	1	1	1	2	1	1
4	Jaipur Pratap Nagar	Hospital	New	-	-	-	-	-	-	-	-	2	12	4	18	4	3	2	2	1	1
5	Lucknow 1: Vikas Nagar	Hospital	New	2	-	2	4	2	-	2	4	2	10	3	15	1	1	1	2	1	1
6	Bangalore	Clinic	Fully operational	2	-	2	4	2	-	2	4	2	-	3	5	-	-	-	-	-	-
7	Patna	Clinic	Fully operational	2	-	2	4	2	-	2	4	1	-	2	3	-	-	-	-	-	-
8	Lucknow 2: Gomti Nagar	Clinic	Fully operational	-	-	-	-	2	-	2	4	2	-	3	5	-	-	-	-	-	1
9	Noida	Clinic	Fully operational	1	-	2	3	2	-	2	4	2	-	2	4	-	-	-	-	-	1
10	Mumbai	Clinic	Fully operational	1	-	1	2	2	-	2	4	2	-	2	4	-	-	-	-	-	-
Total				22	27	55	104	29	31	59	119	31	94	78	203	20	15	15	10	10	10

* Includes house keeping, billing executive and admin/manager.

** As certified by M/s Placex Consulting Company dated 27 November, 2025.

Further, we have recently commenced four new hospitals located at:

- A. Udaipur
- B. Lucknow
- C. Jaipur (two units)

These new facilities will require proportionate staffing across key designations in line with the current hospital-wise ratios and operational standards. The count of proposed hires has been benchmarked against the actual staffing patterns of the existing hospitals, adjusted for scale and service offerings.

Basis for Cost Estimation

The projected cost for hiring manpower has been determined based on:

- 1. Current salary levels paid to doctors, therapists, nursing and support staff at the operational hospitals; and
- 2. Quotations obtained from HR recruitment agencies for similar profiles, grades, and locations.

4. Repayment/Prepayment of loan:

The details of the outstanding loans of our Company, as on 31st March 2025, which are proposed for repayment or prepayment, in full or in part from the Net Proceeds are set forth below. The loan facilities are listed below in no particular order of priority.

Secured Loans

(Amount in Lakh)

S. No.	Name of persons/ companies	Sanction Amount	Date of Sanction	Date of Disbursement	Rate of Interest (per Annum)	Purpose of Loan	Tenure In months	Outstanding as on March 31 2025
1.	Kotak Mahindra Bank Limited	1,600.00	November 17, 2022	March 27, 2023	9%	Loan for commercial property	120	1,393.28

Note:

- The lenders are neither related to the company nor to its Promoters/ Directors and any of their relatives.
- In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Statutory and peer review Auditors have confirmed that the loans have been utilised for the purpose for which it was availed pursuant to their certificate September 11, 2025.
- The loan being paid is neither related to any of Promoters/ Directors nor of their relatives.
- As per terms and conditions of the loan facility, there is Loan pre-payment charges are 1% of outstanding principal amount. These charges shall be borne by the Company for out of its internal proceeds.
- As per terms and conditions of the sanction letter, repayment of the loan is to be done in 120 monthly installments. Company has not obtained an waivers of any terms of the loan. Loan was taken for the purpose of purchasing of commercial property and we hereby confirm that loan was utilized for the purpose it was availed.

Total indebtedness amount and its percentage as on date of DRHP:

(Amount in lakhs)

Total Indebtedness	Repayment of loan	% of Total Indebtedness
3120.01	1250.00	40.06

5. To meet out Working Capital expenses to fund business growth:

JUSTIFICATION FOR WORKING CAPITAL REQUIREMENT

(Amount in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	7,655.27	6,715.57	8,928.71
Sale of Products	4,923.30	6,063.62	8,340.52
<i>% of revenue from operations</i>	64.31%	90.29%	93.41%
Sale of service	2,731.97	651.95	588.18
<i>% of revenue from operations</i>	35.69%	9.71%	6.59%

Till FY 2021–22, the Company was primarily engaged in telemedicine services. In FY 2022–23, it started setting up hospitals and clinics and pursued NABH accreditation. During FY 2023–24, the Company also obtained CGHS, ECHS, and insurance empanelment (secured in the second half of FY 2024).

Hospital services revenue grew nearly four times in FY 2024–25, with around 80% of this revenue coming from ECHS and CGHS empanelment. These payers typically have payment cycles of about 150–180 days, resulting in higher receivable days compared to telemedicine or cash-based sales.

In FY 2022–23, the Company made a strategic decision to expand into healthcare services by establishing hospitals and clinics offering various treatments and therapies, in addition to continuing its telemedicine operations.

This transition phase affected the performance in FY 2023–24, as revenues from product sales declined during the restructuring period. However, the strategy started delivering results in FY 2024–25, with total revenue from operations reaching Rs. 7,655.27 lakh, of which healthcare services contributed Rs. 2,731.97 lakh—reflecting over 300% year-on-year growth. Going forward, the Company expects a continued strong growth trajectory and, accordingly, requires additional funding to meet its increasing working capital and operational needs.

S.No.	Particulars	Remarks
A	Current Assets	
1	Inventory	<p>The Company is engaged in operating hospitals and clinics, and in the sale of medicines through both its hospital pharmacies and telemedicine platforms. Until FY 2024–25, the majority of service revenue was generated from two well-established hospitals. From December 2024 onwards, the Company has expanded its footprint by setting up four additional hospitals across various locations in India.</p> <p>Originally established as a kidney care hospital, KRM Ayurveda has since evolved into a group of multi-specialty hospitals offering effective and natural treatments for a wide range of health conditions. The Company has also established a global presence through its virtual consultation services (telemedicine).</p> <p>In FY 2023, inventory stood at Rs. 67.41 lakh (3 days). This increased to Rs. 144.76 lakh (8 days) in FY 2024, mainly due to the expansion of services, which required maintaining higher stock levels. From December 2024 onwards, the opening of four new hospitals led to a one-time buildup of initial pharmacy stock at each location. In addition, the existing hospitals increased their patient throughput, necessitating higher working inventory to ensure uninterrupted supply of medicines.</p>

		<p>Consequently, in FY 2025, inventory rose to Rs. 769.63 lakh (37 days) as the Company's focus shifted toward healthcare services, requiring adequate stock levels across hospital pharmacies and clinic centers for daily operations and medicine sales.</p> <p>Looking ahead, inventory is expected to increase further to Rs. 1,321.32 lakh (45 days) in FY 2026, in line with growing patient volumes and the addition of new specialties. As hospital operations expand, pharmacy inventory will scale with treatment mix and medicine consumption. In FY 2027, inventory is projected to reach around 50 days, reflecting the continued growth in the number of hospitals and higher sales of medicines, while the Company continues to optimize inventory management over time.</p>
2	Trade Receivables	<p>In FY 2023, the Company's trade receivables stood at Rs. 776.06 lakh (32 days). This reduced to Rs. 553.47 lakh (30 days) in FY 2024, mainly due to lower sales during the business transition period. In FY 2025, trade receivables increased to Rs. 1,212.83 lakh (58 days), corresponding with a significant rise in revenue.</p> <p>As described above, the strategic changes in the business with a shift towards the services sector have also contributed to this increase, since the major debtors in the service segment are CGHS & ECHS and private insurance companies under cashless arrangements. While invoices are raised on the same day of treatment, collections are realized over extended periods of 150-180 days in the case of government agencies and 25-45 days in the case of private insurance players.</p> <p>Trade receivables summary:</p> <p>As at 31-Mar-2025: Rs. 12.13 crore As at 31-Mar-2024: Rs. 5.53 crore</p> <p>Break-up of receivables:</p> <p>31-Mar-2025: ECHS Rs. 6.06 crore (49.96%), CGHS Rs. 2.80 crore (23.08%), Insurance Rs. 0.13 crore (1.05%), Others Rs. 3.14 crore (25.92%) — CGHS and ECHS together form 73.0% of total receivables.</p> <p>31-Mar-2024: ECHS Rs. 1.84 crore (33.16%), CGHS Rs. 0.03 crore (0.63%), Others Rs. 3.66 crore (66.21%) — CGHS and ECHS together formed 33.8% of total receivables.</p> <p>Going forward, the Company expects trade receivable days to average around 85 days in FY 2026 (Rs. 2,495.83 lakh) and further increase to 100 days in FY 2027 (Rs. 3,963.96 lakh). This increase is mainly due to the rising contribution of hospital services revenue, which typically has a longer collection cycle. Trade receivables will continue to be a key component of the Company's working capital as the business expands.</p>
3	Other Current Assets (includes Short Term Advances)	<p>Other Current Assets mainly comprise advances to suppliers, balances with government authorities, deposits with banks, and other receivables.</p> <p>The balance under this head has increased from Rs. 701.43 lakh in FY 2023 to Rs. 1,305.84 lakh in FY 2024, and further to Rs. 1,727.27 lakh in FY 2025. For the projected years, it is expected to reach Rs. 2,220.00 lakh in FY 2026 and remain at a similar level of Rs. 2,220.00 lakh in FY 2027.</p>

		The increase in Other Current Assets is primarily due to higher advances made to suppliers in line with growing operations and revenues. These advances help the Company secure better pricing and timely delivery of raw materials. The increase also includes advances to employees and other operational receivables.
B	Current Liabilities	
1	Trade Payables	<p>The trade payable increased in FY 2024 as compared to FY 2023 from Rs. 512.11 lakhs to Rs. 387.04 lakhs due to fall in operation for that period.</p> <p>Further, there is an increase in Trade Payables days to 46 days in FY 2025, amounting to Rs. 533.06 Lakhs in comparison to FY 2024, the increase was due to the fact that there was an increase in the operations the raw material procured also saw a significant rise pertaining to which the trade payable saw a similar rise.</p> <p>For FY 2026 and FY27 standing at Rs.491.41 lakhs and Rs. 643.95 lakhs respectively as the company is planning for expansion through establishment of hospitals and increase in number of SKUs for which even higher procurement of raw material would be needed.</p>
2	Other Current Liabilities	<p>Other Current Liabilities, which mainly comprise advances from customers, salary and incentive payables, statutory dues, and expenses payables, were Rs. 348.50 lakhs in FY 2023, Rs. 443.00 lakhs in FY 2024, and Rs. 392.64 lakhs in FY 2025.</p> <p>These are expected to increase to Rs. 585.79 lakhs in FY 2026 and Rs. 884.58 lakhs in FY 2027, in line with the growth of the Company's operations.</p>
3	Short Term Provision	<p>Short Term Provision includes provision for gratuity, Provision for Current Tax, Statutory Dues and provision for expenses.</p> <p>During the last three financial years amount is in the range of Rs. 25.65 lakhs to Rs. 239.81 Lakhs from FY 2023 to FY25. For the projected period, short term provision stands at Rs. 164.02 Lakhs & Rs. 262.10 Lakhs for FY 2026 & FY 2027 respectively.</p>
C	Short Term Borrowing	<p>The company anticipates meeting its working capital requirements primarily through short-term borrowing. It aims to maintain short-term borrowings at levels similar to those recorded during the audited period. The amount for short term borrowings stands at Rs. 69.91 Lakhs & Rs. 87.33 Lakhs in FY 2023 & FY 2024. The same increases to Rs. 1,065.72 Lakhs in FY 2025. For the projected period FY 2026 the amount should be Rs. 1,275.00 Lakhs & for FY 2027 it would be the same as FY26 at Rs. 1,275.00 lakhs</p>

#As certified by Shiv & Associates, Chartered Accountants, through its certificate dated September 11, 2025.

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SECTION V- ABOUT THE COMPANY

OUR BUSINESS

BUSINESS OVERVIEW

Our Company, established in 2019, is operating a network of hospitals and clinics across multiple cities in India as well as marked its presence in abroad through telemedicines consulting and sales. Presently, Company runs 6 (Six) Hospitals and 5 (Five) Clinics at different locations in the country. Though KRM Ayurveda started off as a kidney hospital and it continues to provide specialized treatment for kidney disorders, the Company has widened its horizons in the past few years and has now evolved for various health disorders such as kidney disorder, Liver Cirrhosis, Diabetes, Fatty Liver, Arthritis etc. Company has marked its reach globally as well through Tele-Consultancy Services. Further, we focus on specialized segments within the medical and healthcare domain that address specific health issues and challenges, such as addiction, personal care, wellness, and related areas and for that we are engaged into trading of Ayurvedic medicine, oils and supplements.

Our hospitals and clinics offer a comprehensive range of services, including:

- In-Patient & Out-Patient Care: Treatment for chronic diseases, lifestyle disorders, and post-operative rehabilitation.
- Panchakarma Therapies: Detoxification and rejuvenation programs.
- Specialized Clinics: Orthopedic care, skin and hair care, women's wellness, geriatric care.
- Wellness Packages: Stress management, weight management, preventive health plans.
- Medicinal Sales: Dispensary of in-house and certified Ayurvedic medicines.
- Diet & Lifestyle Counseling: Personalized nutrition and yoga consultation.

Our Hospitals and Clinics are equipped with the following infrastructure & facilities: Beds, including general wards and premium rooms. • Panchakarma treatment units. • Herbal pharmacy and medicine preparation unit. • Ayurvedic diet kitchen. • Consultation chambers for Vaidyas (Ayurvedic physicians). • In-house yoga and meditation hall.

Our Company also is engaged in the processing, formulation, and marketing of portfolio of Ayurvedic therapeutic and wellness products. Our product portfolio is primarily focused on addressing chronic lifestyle and metabolic disorders. The Company markets its products through its network of hospitals and clinics and also provides patient access through an integrated telemedicine service, enabling remote consultations and product delivery. Our product is based on classical Ayurvedic formulations, standardized herbal extracts, controlled processing methods, and quality-assurance protocols.

Over the last three financial years, our product portfolio has been concentrated around therapeutic categories such as chronic kidney disorders, diabetes and metabolic management, immunity enhancement, liver health, hypertension, urinary tract conditions, and general wellness.

Each of our products is formulated using a combination of botanicals traditionally used in Ayurveda, including Gudmar, Triphala, Trikatu, Shilajit, Gokshura, Punarnava, Giloy, Kutki, Sarpagandha, and Ashwagandha, among others. The selection and proportion of herbs are aimed at achieving therapeutic benefits.

VISION OF OUR COMPANY

**Being forward looking statement Vision Statement has been removed from the DRHP.*

MISSION OF OUR COMPANY

**Being forward looking statement Mission Statement has been removed from the DRHP.*

B. Our Clinics:

5. KRM Ayurveda (Noida Clinic) is situated at C-28, Ground Floor, Sector-12, Noida, Uttar Pradesh –201301. Our Noida clinic has a team of 2 Ayurvedic Doctors and 2 therapists. Our health experts prescribe health plans with a diet chart that help our patients to improve. Our Noida clinic offers day care service facilities.

**Statement “Our treatment plan is the perfect mix of the ancient wisdom of Ayurveda and clinical practices. Our state-of-the-art facilities and skilled medical team take great pride in delivering therapy for your health concerns” has been removed.*

NUMBER OF HOSPITALS AND CLINICS OPENED BY THE COMPANY IN THE PAST 3 FINANCIAL YEARS:

S. No.	Financial Year	Particular	Category	Sales Start from	Status
1.	2022-23	Mumbai	Clinic	13-09-2022	Active
2.		Gomti Nagar, Lucknow	Clinic	10-01-2023	Active
3.		Bangalore	Clinic	31-01-2023	Active
4.		Patna	Clinic	15-03-2023	Active
5.	2023-24	Noida	Clinic	19-05-2023	Active
6.	2024-25	Vaishali Nagar, Jaipur	Hospital	25-12-2024	Active
7.	2025-26	Pratap Nagar, Jaipur	Hospital	15-05-2025	Active
8.		Vikas Nagar, Lucknow	Hospital	22-05-2025	Active
9.		Udaipur, Rajasthan	Hospital	16-07-2025	Active

Our clinics in Ahmedabad and Jaipur commenced operations on 16 December 2022 and 16 March 2023, respectively. However, both clinics consistently recorded lower-than-expected footfall and, as a result, did not perform at the required level to sustain continued operations. Consequently, management decided to discontinue services at these locations. The Ahmedabad clinic was closed on 25 June 2024, and the Jaipur (Old) clinic was closed on 24 June 2024.

TOTAL INSTALLED BED CAPACITY, TOTAL OPERATIONAL BEDS, BED OCCUPANCY RATE AND AVERAGE REVENUE PER OCCUPIED BED (“ARPOB”) FOR THE PAST 3 FINANCIAL YEARS:

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Total installed bed capacity	38	57	100
Total operational beds	38	57	100
Bed occupancy rate	17.96%	29.41%	84.87%
Total Revenue (in Lakhs)	231.91	531.33	2,582.22
Total Bed days	2,491	6,118	30,976
Average APROB	9,310	8,685	8,336

KRM Ayurveda Products

Company has its own medicine processing unit at Kundli Haryana. This unit is formulating Ayurvedic Classical & Proprietary medicines and Nutraceuticals. Our comprehensive product range includes Capsules, Tablets, Syrups, Gels, Oils and Powders, catering to diverse healthcare needs with efficiency and precision.

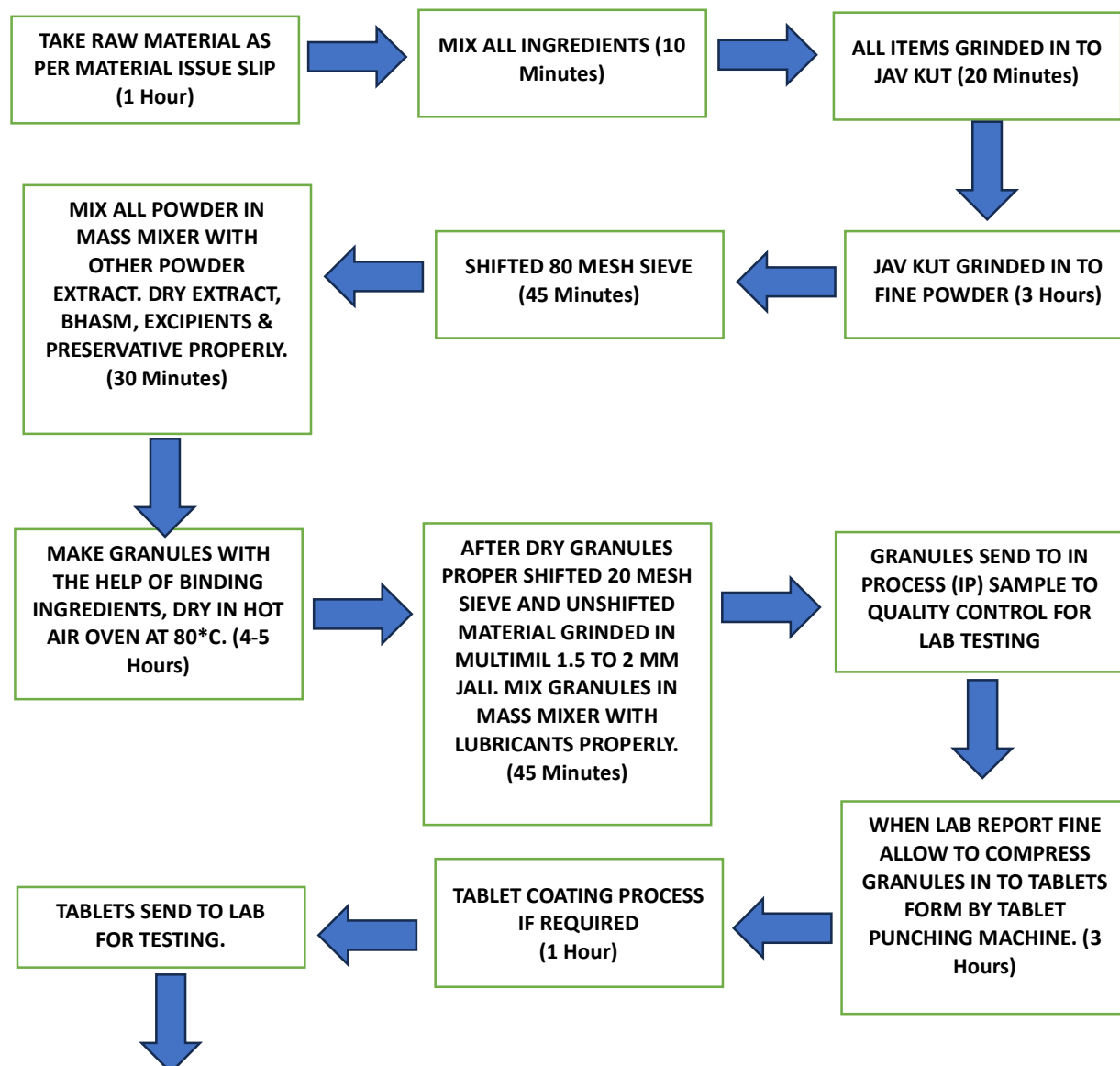
Content removed: KRM Ayurveda always focuses on the medication that is based on the fundamental ideology of Ayurveda. Along with the right kind of Ayurveda medications, health experts prescribe best health plans comprising of diet chart and yoga therapy which is customized as per individual prakriti / condition which further aids our patients to improve.

The Company's Ayurvedic medicinal products are sold through the following channels:

- **Digital Sales Model:** Leads generated through digital marketing campaigns are followed up by the telemedicine team, which provides consultation and facilitates medicine sales directly over telephone and online communication.
- **Clinic and Hospital Sales:** Patients visiting the Company's hospitals and clinics for OPD and IPD consultations are prescribed medicines by the attending doctors and purchase the recommended products from the in-house dispensaries at the respective facilities.
- **Repeat and Follow-up Sales:** Existing customers from both digital and walk-in channels place repeat orders through the Company's centralized customer care helpline for continued treatment and wellness programs.

PROCESS FLOW CHART OF MANUFACTURING OF PRODUCTS ALONG WITH TENTATIVE TIMELINES:

Tablet Manufacturing Process:





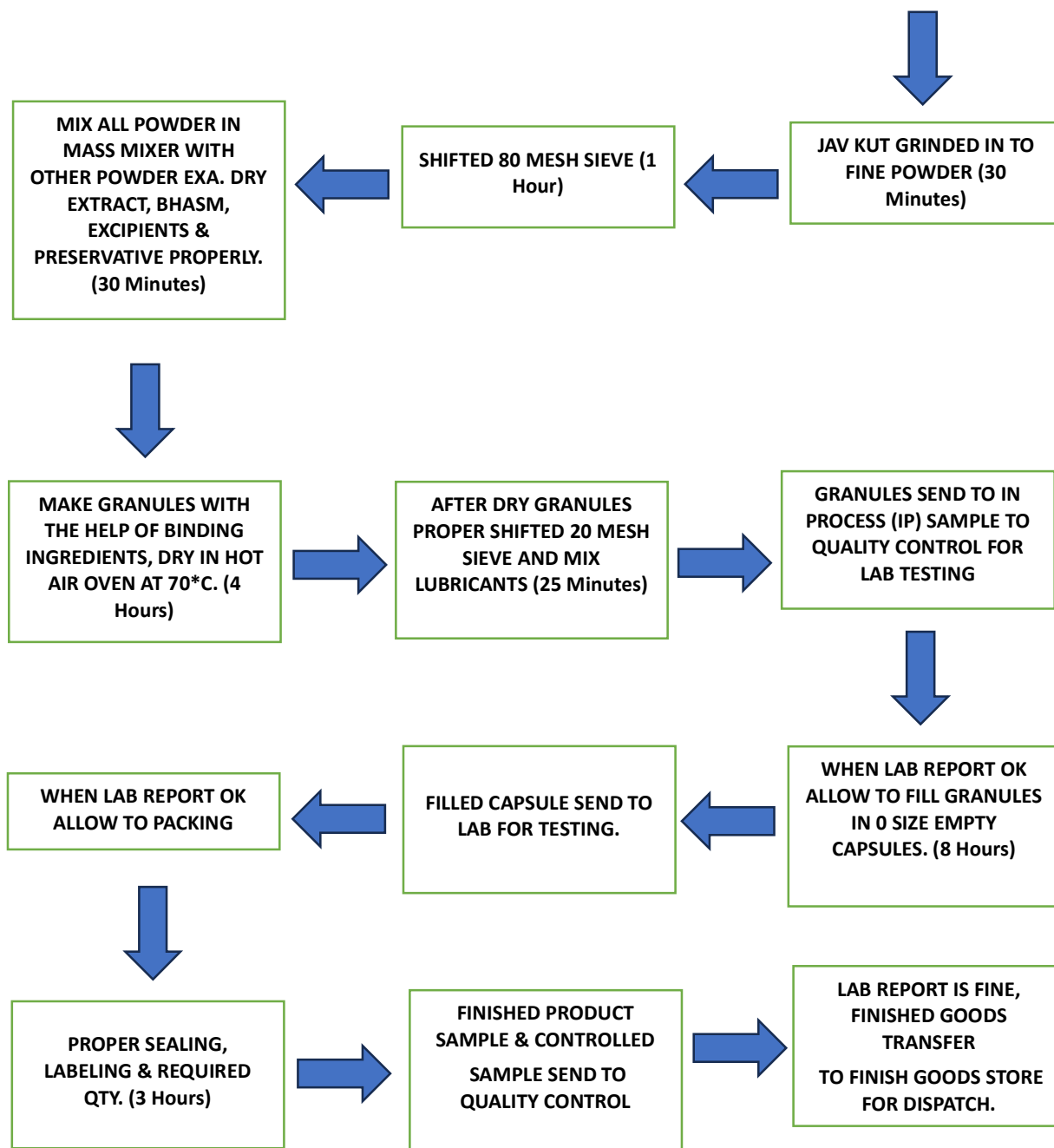
(FLOW CHART FOR TABLETS MANUFACTURING)

Note: Total Hour Consumed Approx. 24 Hours Batch Size 100000 Tablet, Time variates according to Product & Batch Size.

1. **Procurement of Raw Material:** Tablet manufacturing begins with the precise receipt and inspection of all raw materials such as medicinal herbs, powders, Ayurvedic bhasma and excipients procured from suppliers. Upon receipt, materials are visually inspected for quality parameters such as color, texture, and absence of contaminants. Samples are taken and sent to the Quality Control laboratory for identity and purity testing before acceptance.
2. **Cleaning and Drying:** The raw herbs are cleaned thoroughly and dried appropriately to reduce moisture content, preventing microbial contamination.
3. **Grinding:** The dried herbs undergo coarse grinding using the traditional Javkut grinding machine, which effectively breaks down the material. Following this, fine grinding is performed using a pulverizer or multi-mill, to achieve a uniform, fine powder consistency.
4. **Filtration:** The powder is then passed through specified mesh sifters (commonly 80 mesh) to remove oversized particles, which are recycled back into the grinding process.
5. **Blending:** All measured raw materials are weighed accurately as per batch formula norms and mixed thoroughly in a mass mixer to prepare a homogeneous blend. This ensures uniform distribution of all active and inactive components in the batch.
6. **Granulation:** For granulation, the blended powder is combined gradually with an approved binder solution, often prepared kwath, under constant mixing conditions. The wet mass is granulated to form damp agglomerates subjected to sieving to achieve uniform granule size. Granules are dried in a hot air oven, which provides controlled temperature and airflow for efficient moisture removal without overheating, ensuring preservation of active ingredients. Dried granules are screened through mesh sifters (20 mesh) and oversized granules are milled again using the multimill. After drying, lubricants such as talc and magnesium stearate are added, and the mixture is blended again using the mass mixer to provide optimal flow properties for compression.
7. **Quality Control check-I:** In-process samples are taken for Quality Control checks on moisture content, microbial limits, and flow characteristics before compression.
8. **Tablet & Coating:** Tablet compression is carried out using rotary tablet punching machines with calibrated tooling to produce tablets of standard shape, hardness, and weight. Tablets are dried and cooled before final quality inspection.
9. **Quality Control check-II:** The finished tablets are subjected to comprehensive quality control testing, including dissolution, friability, hardness, and microbial analysis, before packing.
10. **Packing and labelling:** Upon clearing the final quality check, tablets are packed in blister packs or bottles on automatic packaging lines. All packs are labelled correctly and stored under appropriate conditions.

Capsule Manufacturing Process:





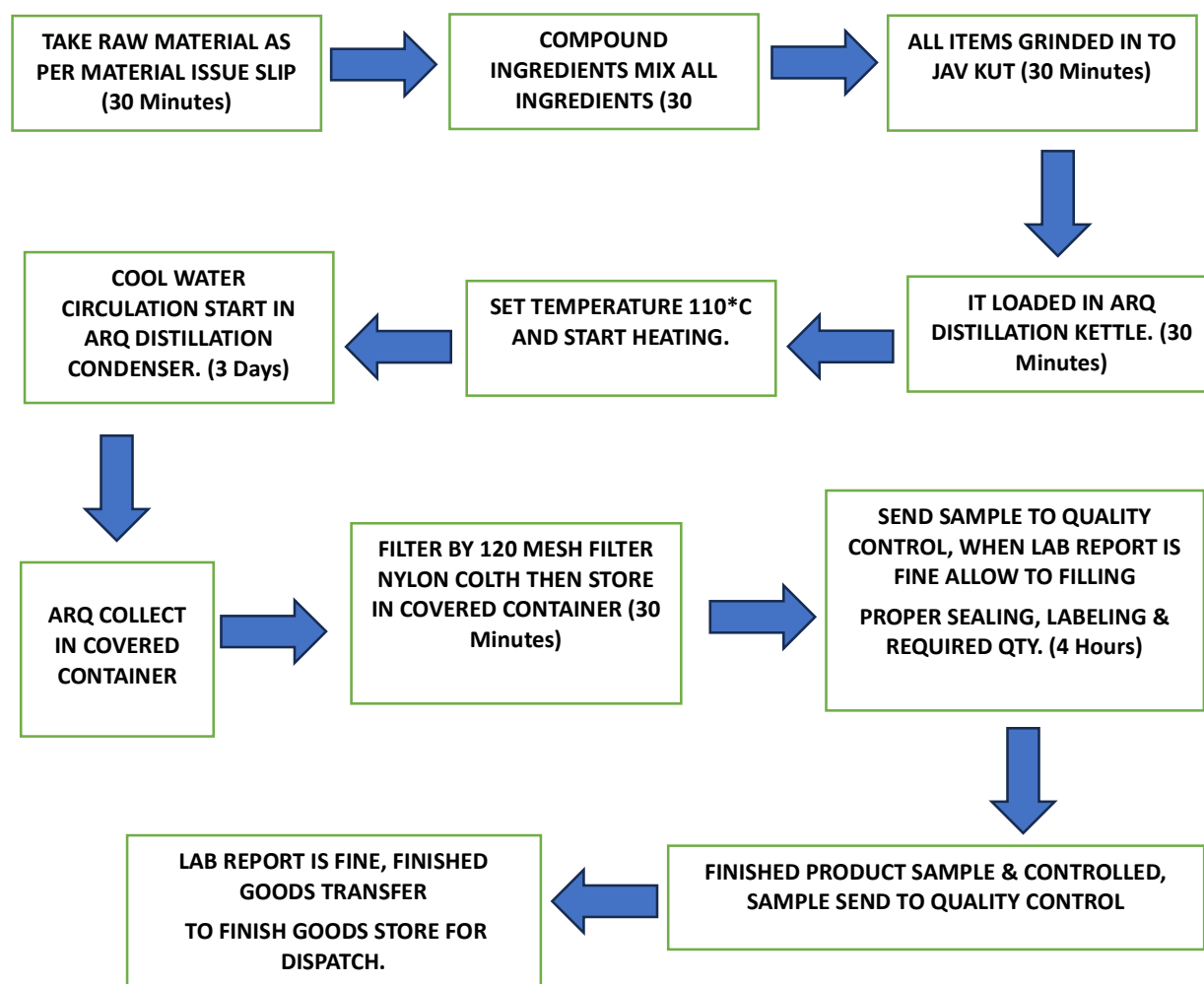
(FLOW CHART FOR CAPSULE MANUFACTURING)

Note: Total Hour Consumed Approx. 24 Hours Batch Size 100000 Capsule, Time variates according to Product & Batch Size.

1. **Procurement of Raw Material:** Capsule manufacturing starts with the receipt and quality inspection of raw materials including herbal powders, extracts, pharmaceutical excipients, and empty hard gelatin or vegetarian capsules, sourced from approved suppliers. Samples are tested and materials accepted after quality control release.
2. **Cleaning and Grinding:** Herbal raw materials are cleaned and subjected to both coarse and fine grinding using Javkut and multimill machines for uniform particle size

3. **Blending:** The herbal powders, dry extracts, and excipients are precisely weighed and mixed in validated mass mixers for homogenization. If required, wet or dry granulation is performed with binders to improve flow properties, followed by drying in hot air ovens at controlled temperatures.
4. **Capsule filling:** Empty capsules undergo visual inspection and are loaded into automatic or semi-automatic capsule filling machines. These machines separate the capsule cap and body, fill measured amounts of herbal powder or granules into the capsule body, and securely close the capsules. Visual inspection systems spot defects such as damaged or partially filled capsules and remove.
5. **Quality Control check:** Samples from finished capsules are tested for weight uniformity, dissolution, microbial limits, and capsule shell integrity by Quality Control.
6. **Packing and labelling:** Approved capsules are packed using automated blister packing or bottle filling machines, labelled with necessary batch details, and stored under controlled environments.

ARQ (Herbal Distillate) Manufacturing Process:

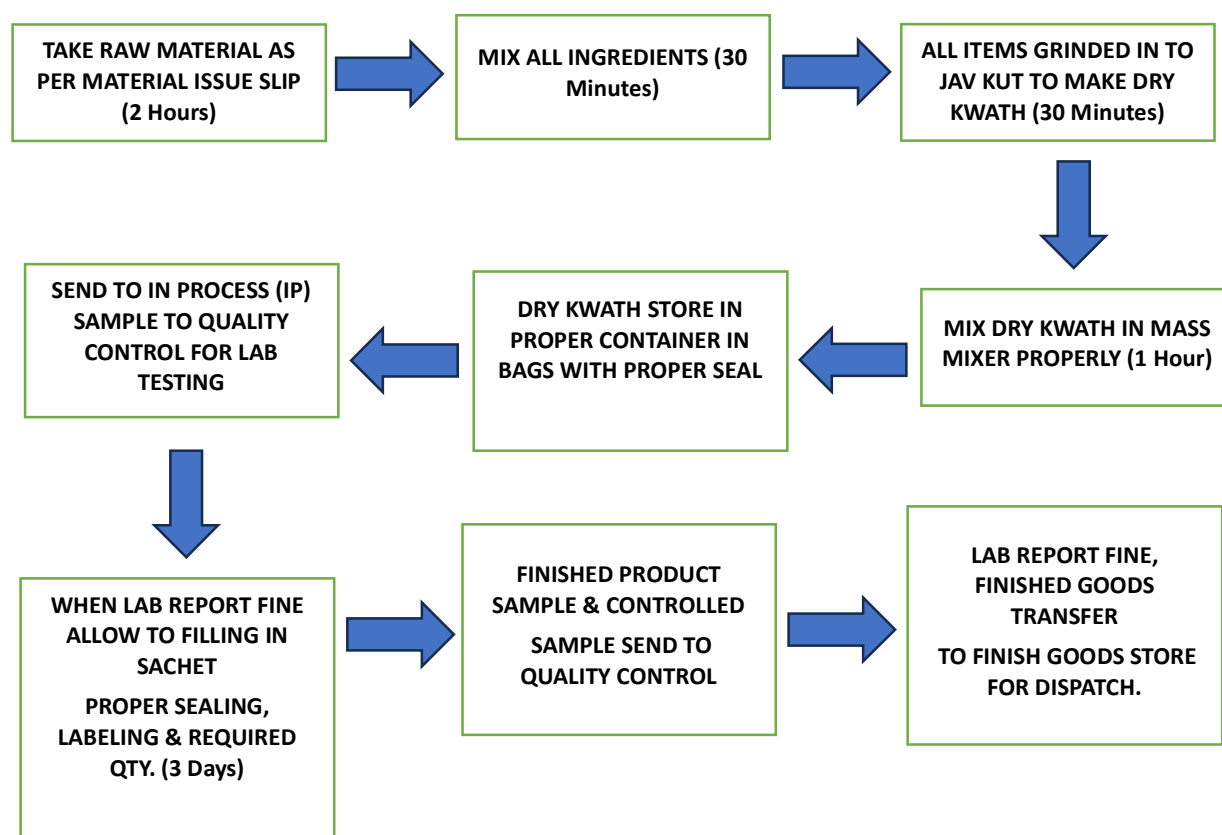


(FLOW CHART FOR ARQ MANUFACTURING)

Note: Total Time Consumed Approx. 4-5 Days Batch Size 200 Ltr. Time variates according to Product & Batch Size.

1. **Procurement of Raw Material:** Arq manufacturing starts with the receipt and quality inspection of raw materials including high-quality aromatic herbs, flowers, or seeds sourced from approved suppliers. Samples are tested and materials accepted after Quality Control release.
2. **Cleaning and Grinding:** Aromatic herbs, flowers, seeds etc. are cleaned and coarse grinding is performed using Javkut or suitable grinders. The material is loaded into stainless steel distillation vessels along with purified water.
3. **Vaporization:** The vessel is heated gradually to generate steam that vaporizes the volatile oils and aromatic compounds. Steam condenses in connected condensers and the distillate is collected in sterile tanks.
4. **Filtration:** The initial distillate fraction is discarded if required to ensure purity. The collected liquid arq is filtered through fine mesh filters to eliminate particulates and ensure clarity.
5. **Quality Check:** Sample testing is conducted in Quality Control for parameters such as organoleptic properties, purity, and microbial counts. Once approved, arq is filled into clean bottles using automated filling machines and sealed securely.
6. **Storage and Dispatch:** Labelled bottles are stored in favorable conditions, protecting the delicate aromatic constituents from heat and light degradation until distribution.

Kwath (Dry Herb Powder) Preparation Process:

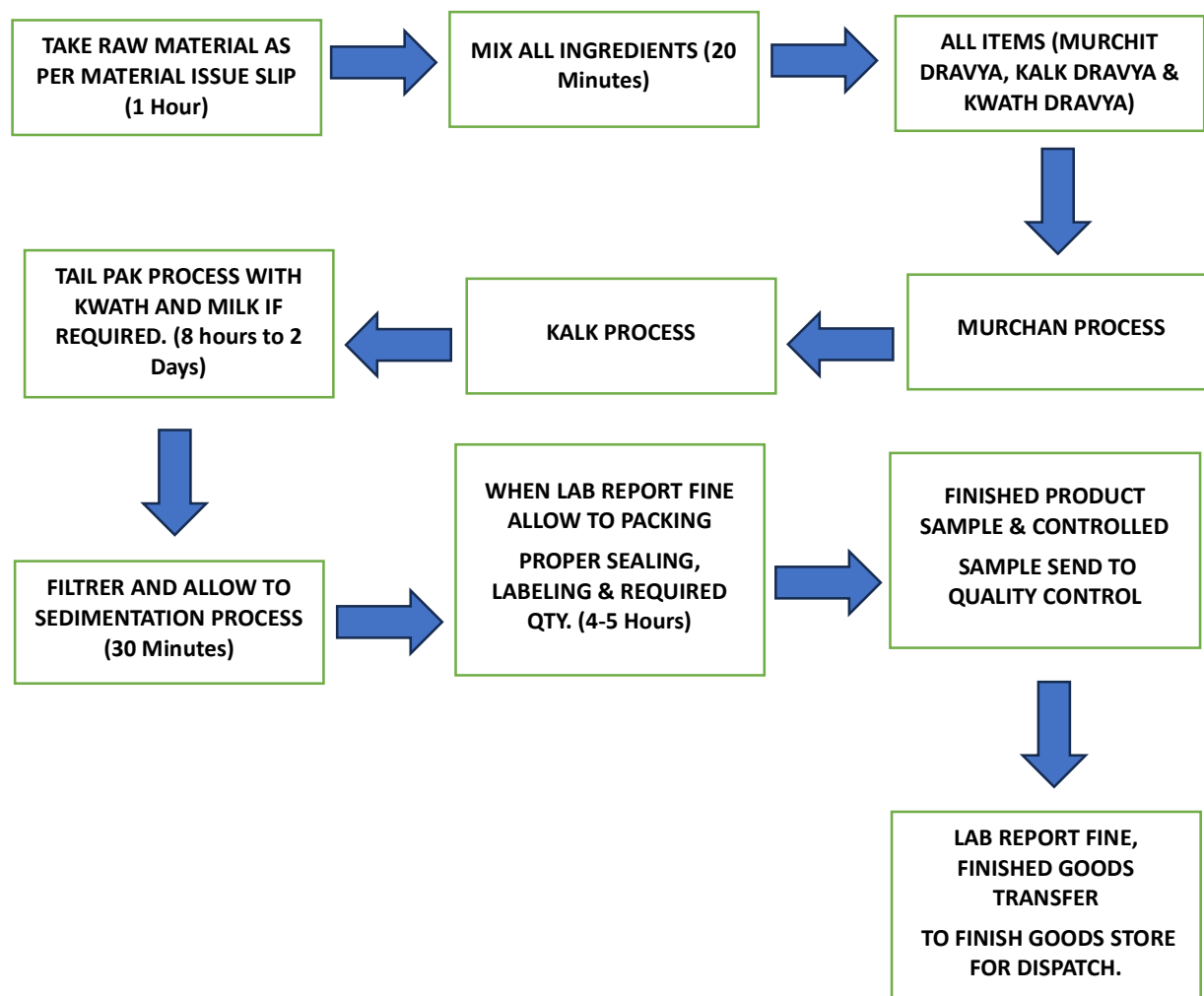


(FLOW CHART FOR DRY KWATH MANUFACTURING)

Note: Total Time Consumed Approx. 3-4 Days Batch Size 200 Kg, Time variates according to Product & Batch Size.

1. **Procurement of Raw Material:** The Kwath preparation process begins with the receipt and quality inspection of raw materials i.e. medicinal herbs sourced from suppliers according to the approved formulation. Samples are tested and materials accepted after quality control release.
2. **Cleaning and Drying:** These herbs are cleaned and dried to appropriate moisture levels to enhance shelf life.
3. **Grinding:** Grinding starts with the Javkut grinding machine for coarse size reduction, followed by fine grinding using pulverizers or multimills. Powders are passed through mesh sifters to isolate finely ground kwath powder from larger particles that are reprocessed. The dry powder is packed into sanitized poly bags and deposited into stainless steel containers under hygienic conditions for storage and handling.
4. **Quality Check:** Samples are sent to the Quality Control laboratory for identity confirmation, purity testing, and microbial load determination. The powder is released for sachet filling only after passing Quality Control inspection.
5. **Sachet filling:** Filling is performed with sachet filling machines under controlled conditions, dispensing measured quantities into sachets, which are sealed to protect against moisture.
6. **Labelling & Packaging:** Sachets are then packed into cartons or relevant packaging materials, labelled, and stored under specified environmental parameters to maintain quality until use in manufacturing.

Oil (Ayurvedic Taila) Manufacturing Process:

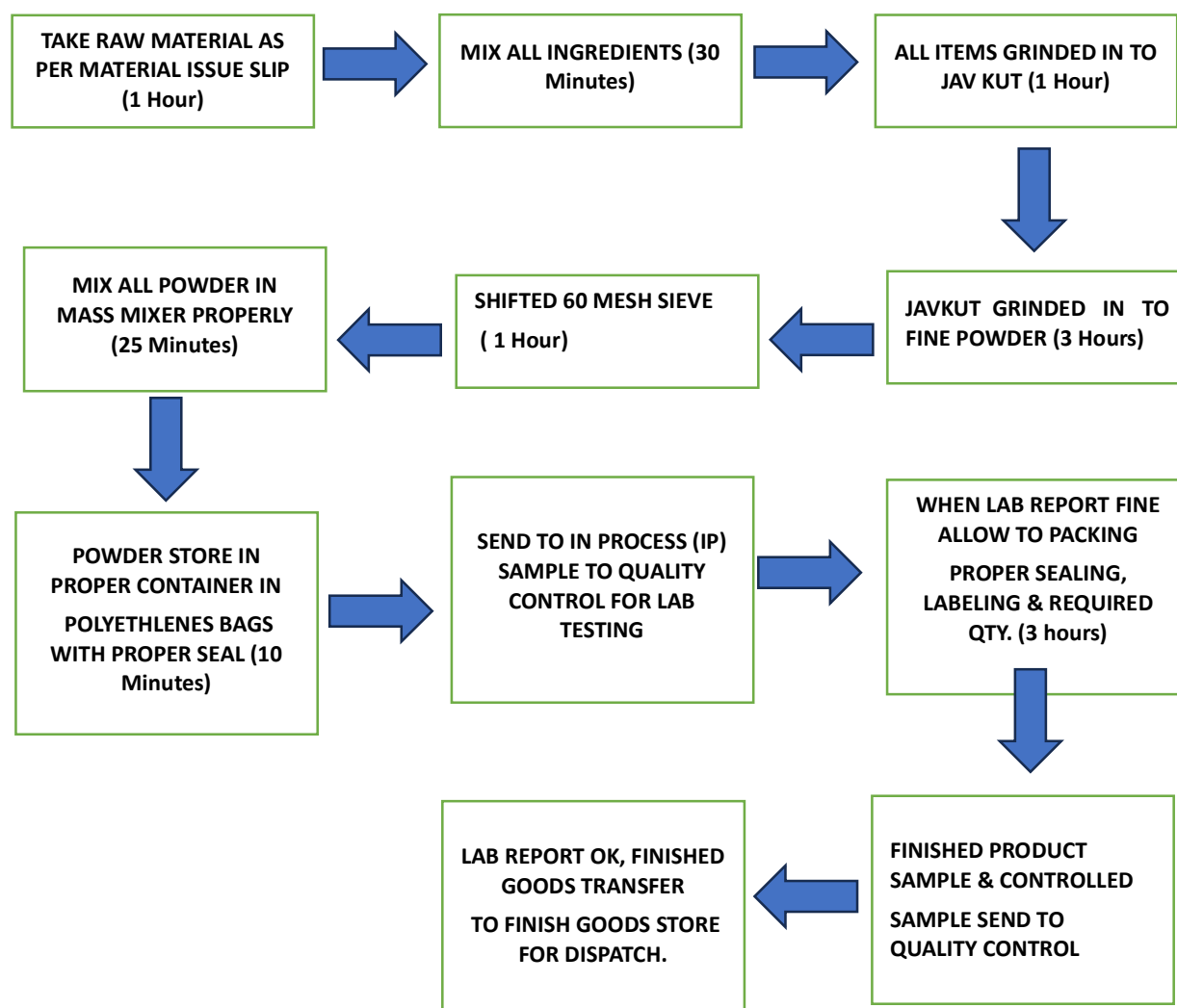


(FLOW CHART FOR OIL MANUFACTURING)

Note: Total Time Consumed Approx. 3-4 Days Batch Size 120 Ltr, Time variates according to Product & Batch Size.

1. **Procurement of Raw Material:** Oil manufacturing process begins with the receipt and quality inspection of raw materials like kalka (herbal paste) and kwath (herbal decoction).
2. **Grinding:** Herbs are ground using Javkut and pulverizers to make kalka. Measured quantities of base oil, kalka, and kwath are combined in stainless steel boiling vessels.
3. **Heating:** The mixture is heated gently with controlled temperature regulation, and constant stirring is performed until proper cooking ('taila paka') is achieved, based on classical organoleptic parameters.
4. **Cooling & Filtration:** The hot oil is cooled and filtered through mesh strainers to remove solid particles. Settling of suspended matter is allowed under controlled conditions.
5. **Bottling:** The clarified oil is bottled using filling machines, labelled, and stored in dark, cool environments to maintain efficacy.

Churan (Herbal Powder) Manufacturing Process:



(FLOW CHART FOR CHURAN MANUFACTURING)

Note: Total Hour Consumed Approx. 13 Hours Batch Size 80 Kg, Time variates according to Product & Batch Size.

1. **Procurement of Raw Material:** Churan manufacturing process begins with the receipt and quality inspection of herbs. After selection herbs are cleaned and dried.
2. **Grinding:** Dried herbs are followed by coarse grinding using Javkut grinders. The herbs are then milled finely using pulverizers or multimills. The fine powders are sieved through 60-mesh sifters, with coarse material recycled for further milling.
3. **Blending:** Weighed ingredients are blended in mass mixers to ensure consistency.
4. **Packing & Labelling:** The mixed churan powder is packed into moisture-proof containers or pouches using automatic filling and sealing machines, labelled, and stored in appropriate humidity and temperature conditions pending dispatch.

OUR PLANT & MACHINERY:





DETAILS OF KEY EQUIPMENTS:

Name of Machine	Qty	Section	Type	Function of Machinery
Bottle washing machine	1	Syrup	Washing equipment	Cleans bottles before filling
Filter press	1	Syrup	Filtration equipment	Separates solids from liquids
Liquid filling machine	1	Syrup	Filling equipment	Fills liquid products into bottles
Liquid Filling Tank	2	Syrup	Storage & filling equipment	Holds liquid before filling

P.P Cap Sealing Machine	1	Syrup	Sealing equipment	Seals bottles with caps
Extraction Kettle (Thermo oil)	1	Syrup	Heating equipment	Extracts liquid from raw materials
Bhatti with Boiling Pan	2	Syrup	Heating equipment	Boils and processes syrup
S.S. Tanks in various Size	1	Syrup	Storage equipment	Stores liquid ingredients
Labeling Machine	1	Syrup	Labeling equipment	Applies labels to bottles
Filter press	1	Oil	Filtration equipment	Filters oil to remove impurities
Oil Filling Machine	1	Oil	Filling equipment	Fills oil into bottles
Oil Filling Tank	1	Oil	Storage & filling equipment	Holds oil before filling
Bhatti	2	Oil	Heating equipment	Processes and heats oil
S.S. Storage Tanks	2	Oil	Storage equipment	Stores oil
Air conditioner	1	Capsule/ Powder Section	Climate control equipment	Maintains temperature and humidity
Capsule loader	1	Capsule/ Powder Section	Loading equipment	Loads empty capsules into machine
Capsule filling machine	2	Capsule/ Powder Section	Filling equipment	Fills capsules with powder
Grinder/Pulverizer	2	Churan Powder Section	Grinding equipment	Reduces raw material into powder
Mass Mixer Machine	1	Churan Powder Section	Mixing equipment	Mixes powders uniformly
Seives	5	Churan Powder Section	Screening equipment	Separates powders by size
Shifter Machine	1	Churan Powder Section	Screening equipment	Removes lumps and sizes powders
Churan filling machine	1	Churan Powder Section	Filling equipment	Fills powder into pouches
Pouch Packing Machine	1	Churan Powder Section	Packing equipment	Packs powder into pouches
Foil sealing machine	2	Churan Powder Section	Sealing equipment	Seals pouches with foil
Grinder	1	Granules/ Tablet Section	Grinding equipment	Reduces raw material into granules
Multi mill	1	Granules/ Tablet Section	Grinding & mixing equipment	Grinds and mixes granules
Mass Mixer	1	Granules/ Tablet Section	Mixing equipment	Mixes granules/powder uniformly

Hot Air Dryer	1	Granules/ Tablet Section	Drying equipment	Dries wet granules
Granulator	1	Granules/ Tablet Section	Granulating equipment	Converts powder into granules
Tablet Punching Machine (20 & 27 Station)	2	Granules/ Tablet Section	Compression equipment	Compresses granules into tablets
Coating Machine	1	Granules/ Tablet Section	Coating equipment	Applies coating on tablets
Binding paste making machine	1	Granules/ Tablet Section	Mixing & preparation	Prepares binding paste for tablets
Foil sealing machine	1	Granules/ Tablet Section	Sealing equipment	Seals packaging foil for tablets
Electric Ark Distillation Kettle	1	Ark Section	Distillation equipment	Distills liquids for extraction
S.S. storage Tank	2	Ark Section	Storage equipment	Stores distilled liquid
Filter press	1	Ark Section	Filtration equipment	Filters distillate
Ark Filling Machine	1	Ark Section	Filling equipment	Fills distilled liquid into bottles
Air compressor	1	Common	Compressed air equipment	Supplies compressed air for machinery
Batch coding machine	1	Common	Coding equipment	Prints batch numbers on products
R.O. plant	1	Common	Water purification equipment	Purifies water for production
Liquid transfer pump	1	Common	Pumping equipment	Transfers liquids between tanks
Weighing Balance Machine	5	Common	Weighing equipment	Measures raw materials accurately

**All the equipment stated above are owned by the Company. None of the machinery or equipment is leased.*

INFORMATION TECHNOLOGY AND DATA SECURITY SYSTEM:

At present, the Company utilize licensed third-party Customer Relationship Management (CRM) and Hospital Management System (HMS) software solutions for data processing, storage, and operational management. Please refer heading “CRM Software” under the chapter “Object of the issue”.

AWARDS AND RECOGNITION

Some of the notable awards and recognition are –

Sr. No	Year, Organization and Award	Image
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4.	<p>2023</p> <p>International Fame Awards</p> <p>Dr. Puneet Dhawan (Karma Ayurveda) has received as Best Ayurveda Doctor in India in International Fame Awards 2023.</p>	
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**The name of the 3rd parties disclosed at point number 4 has been removed due to unavailability of consent.*

SWOT ANALYSIS:

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none"> ➤ Skilled Ayurvedic physicians and certified therapists ensuring treatment quality. ➤ Centralized GMP-certified production of Ayurvedic medicines ensuring purity and efficacy. 	<ul style="list-style-type: none"> ➤ Operational complexity managing consistent quality across diverse locations. ➤ Dependence on availability of quality herbs and raw materials. ➤ Limited brand awareness in some newly targeted regions.
<i>Threats</i>	
<ul style="list-style-type: none"> ➤ Competition from both modern healthcare providers and other Ayurveda chains. ➤ Regulatory changes and compliance requirements in multiple states. ➤ Economic fluctuations impacting patient affordability. ➤ Risk of misinformation impacting Ayurveda's perception among consumers. 	

Note 1: For further details pertaining to our weakness, please refer Risk Factor No. 26, 27, 28, 29 and 30.

Note 2: 'Trusted Brand with Loyal Customer Base' has been removed from the SWOT Table.

Note 3: Opportunities being forward looking statement has been removed from the SWOT Table.

OUR STRENGTHS-

- **Skilled Ayurvedic physicians and certified therapists ensuring treatment quality:**

Our Company employs a dedicated team of 31 qualified Ayurvedic physicians who have obtained formal qualifications such as Bachelor of Ayurvedic Medicine and Surgery (BAMS) from accredited institutions recognized by statutory bodies like the Central Council of Indian Medicine (CCIM). These physicians bring knowledge of Ayurvedic principles and clinical expertise, ensuring authenticity and efficacy in all treatments provided.

In addition, the Company has a team of 59 certified Ayurvedic therapists who have undergone training and certification programs covering traditional therapies such as Panchakarma, Abhyanga, and other specialized Ayurvedic treatments. These certifications ensure that therapists are skilled in both theoretical knowledge and practical application, adhering to quality standards and patient safety protocols.

Treatment quality is further ensured through adherence to guidelines and quality assurance frameworks recommended by national authorities like the Ministry of AYUSH and accreditation bodies such as NABH.

- **Centralized GMP-certified Production**

The Company's Ayurvedic medicines are produced in a centralized processing unit that is certified under Good Manufacturing Practices (GMP) as prescribed by the Drugs and Cosmetics Act, 1940 and Rules, 1945, specifically

under Schedule T which governs Ayurvedic medicine production. This GMP certification ensures that the manufacturing processes maintain stringent hygiene, sanitation, and quality standards to guarantee the purity, safety, and efficacy of the products.

Our facility complies with quality control protocols including raw material verification and batch traceability, all overseen by technical staff. This centralized GMP-certified production not only aligns with national regulatory standards set by the Ministry of AYUSH and the Central Drugs Standard Control Organization (CDSCO) but also enhances the Company's capacity to meet domestic and international quality expectations.

Note: Text explaining heading 'Trusted Brand with Loyal Customer Base' has been removed.

OUR BUSINESS STRATEGIES:

To capitalize on our strengths and opportunities while mitigating weaknesses and threats, our Company will pursue the following multi-pronged strategy:

Business Strategies for Our Hospitals and Clinics

1. Expansion of Domestic and International Market:

Our Company intends to expand its geographical footprint by deepening its presence in existing markets and entering new domestic and international territories.

- Presently, we operate a network of 6 hospitals and 5 clinics, primarily concentrated in North India.
- To achieve our expansion goals, we have initiated feasibility studies for setting up new hospitals in Tier-II cities such as Jaipur and Lucknow, where demand for quality healthcare is increasing.
- Internationally, we have commenced telemedicine consulting services catering to patients in the United State of America, which has helped establish our brand presence overseas.

2. Conducting Training Courses for Therapists:

The Company has been accredited by **Rashtriya Ayurveda Vidyapeeth (RAV)** to conduct certified Ayurveda training programs, including Panchkarma Technician Course, Prakriti Course, Leech Therapy Course, and Basti Therapy Course.

- We have already commenced these training programs with the first batch successfully completed in FY 2024–25.

3. Regulatory Compliance and Certifications:

The Company places strong emphasis on maintaining the highest standards of regulatory compliance and patient safety.

- We are in the process of obtaining **NABH accreditation** for two of our hospitals and intend to extend the certification to all operational facilities in a phased manner.

Business Strategies for Our Ayurveda Product Division

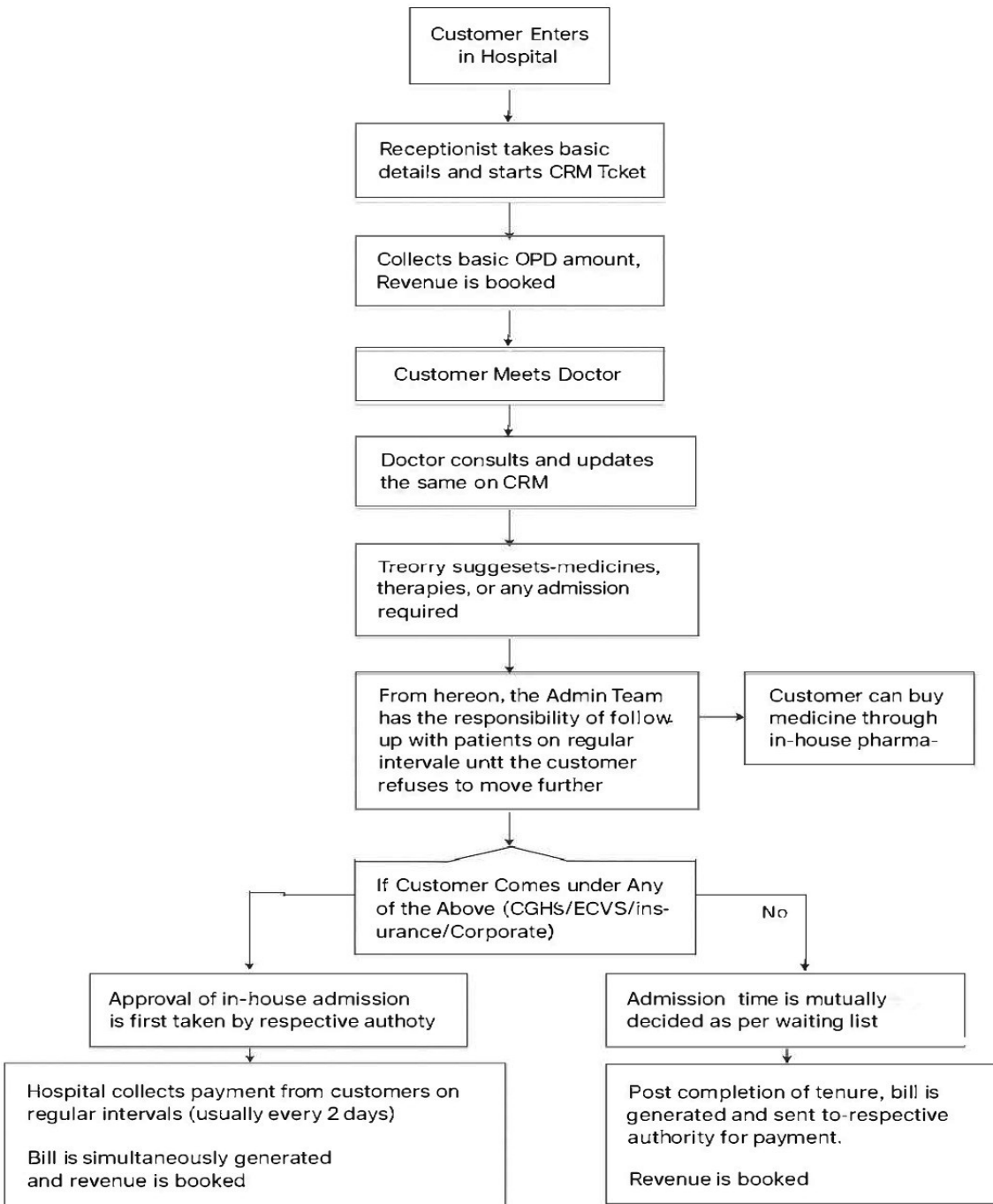
1. Distribution and Expansion:

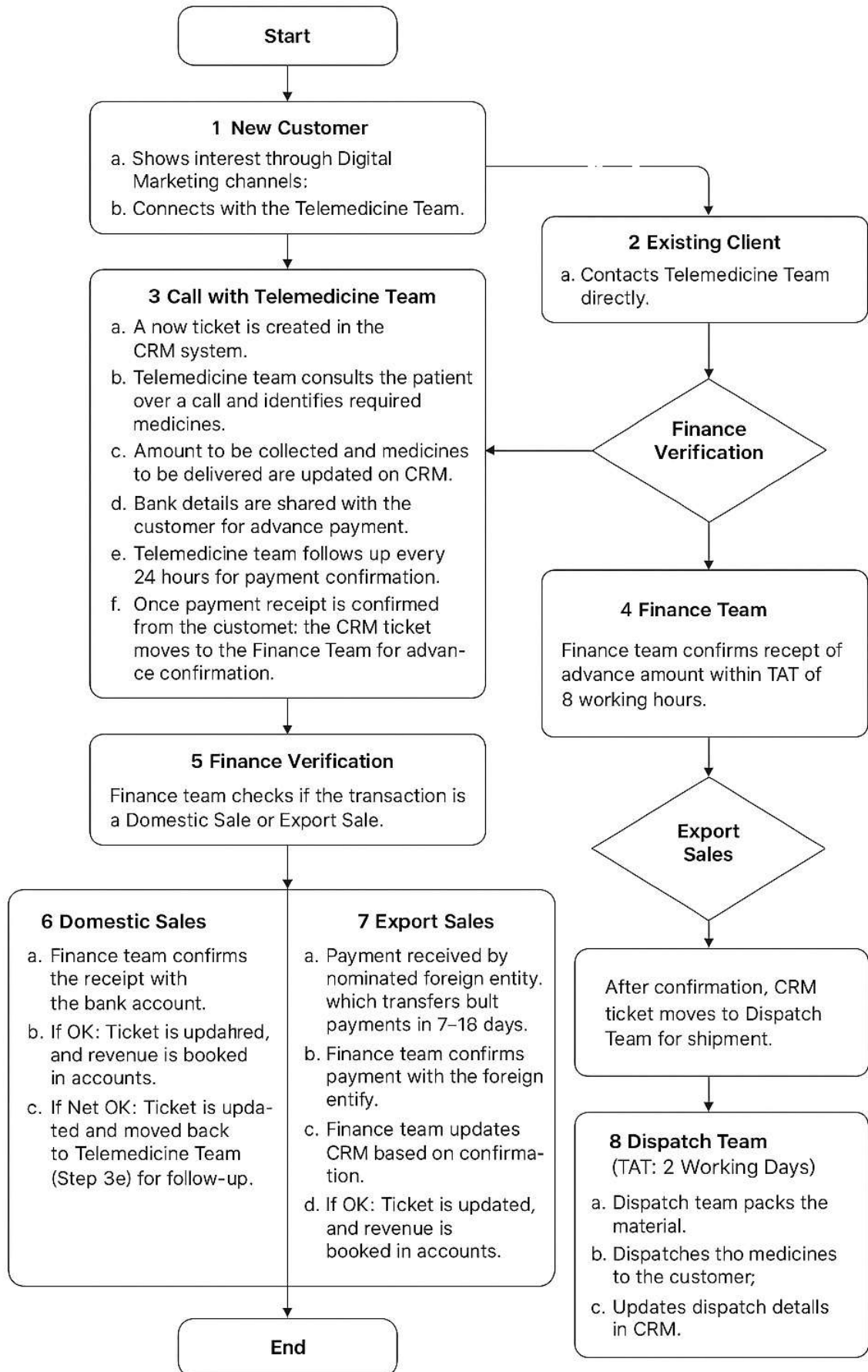
Our Ayurveda product division aims to strengthen its market reach through a wider distribution network and strategic brand partnerships.

- Our products are currently distributed through our in-house pharmacies at hospitals and clinics, as well as through our teleconsultation platform.
- Additionally, we also provide the our products via our telecommunication channel dedicated to Ayurveda and wellness products.

REVENUE BOOKING PROCESS

Hospital / Clinic Sales - Process Flow





A. Cashless Facility Process

1. Admission and Insurance Intimation

On admission, the accounts team collects the insurance card and policy details from the patient. Verification is carried out to confirm if the insurer is empanelled with the hospital. If empanelled, the insurer is immediately intimated about the admission.

2. Pre-Authorization Request

A formal pre-authorization is submitted to the insurer containing the diagnosis, estimated cost of hospitalization, and expected duration of stay.

3. Approval and Cashless Treatment

Once approval is received, the hospital extends cashless treatment to the patient. The insurer settles the eligible and approved expenses directly with the hospital. If only partial approval is given, the patient/family is advised of the balance payable.

4. Hospitalization Updates and Documentation

The hospital maintains direct communication with the insurer regarding treatment extensions or modifications during hospitalization and provides medical records, reports, and other documents as required.

5. Discharge and Claim Settlement

At discharge, the operations team compiles the final bill, discharge summary, and relevant supporting papers, and forwards them to the insurer for final settlement. The insurer then releases payment to the hospital against the approved claim.

B. Reimbursement Process (Where Cashless Not Available)

1. Admission and Direct Payment by Patient

Where cashless facility is not available (either because the insurer is not empanelled or cashless approval could not be obtained), the patient is required to make direct payments to the hospital for admission, hospitalization, and discharge expenses.

2. Issuance of Medical Documents

The hospital furnishes the patient with a complete set of medical records, including admission papers, diagnostic reports, treatment charts, operative notes (if any), discharge summary, and final bill duly signed and stamped by the hospital authority.

3. Submission to Insurance Company by Patient

The patient submits the claim form and supporting documents to the insurer within the prescribed time limits as per their policy.

4. Clarifications and Support

If the insurer seeks clarification, additional certificates, or authenticated documentation, the hospital also assists the patient by verifying medical records and issuing necessary documents.

5. Approval and Reimbursement Settlement

After scrutiny, the insurer reimburses the approved claim amount directly to the patient/policyholder (and not to the hospital).

COLLABORATIONS

S. No.	Party Name*	Date of Agreement/MoU	Validity of the Agreement	Facilities provided
1	Collaborator 1	March 6, 2024	Until terminated	Cashless Treatment
2	Collaborator 2	February 12, 2024	Until revoked by CGHS/NCERT	Cashless Treatment

3	Collaborator 3	August 18, 2022	Until terminated	Cashless Treatment
4	Collaborator 4	February 14, 2024	Until terminated	Cashless Treatment
5	Collaborator 5	June 1, 2022	Until terminated	Cashless Treatment
6	Collaborator 6	November 10, 2022	Until terminated	Cashless Treatment

**Name of the party is not disclosed due to confidentiality.*

GEOGRAPHICAL WISE REVENUE BIFURCATION

(Amount in Lakhs)

State / Geography	FY 2024-25 Amount	% of Total	FY 2023-24 Amount	% of Total	FY 2022-23 Amount	% of Total
Delhi	2,215.69	28.94%	3,020.60	44.98%	5,125.30	57.40%
Haryana	2,101.38	27.45%	399.84	5.95%	308.51	3.46%
Uttar Pradesh	211.48	2.76%	203.94	3.04%	19.46	0.22%
Bihar	118.91	1.55%	101.37	1.51%	2.83	0.03%
Gujarat	7.77	0.10%	81.10	1.21%	9.05	0.10%
Maharashtra	229.37	3.00%	215.50	3.21%	161.39	1.81%
Karnataka	168.82	2.21%	208.25	3.10%	20.53	0.23%
Rajasthan	14.55	0.19%	56.13	0.84%	—	-
Export (US)	2,587.29	33.80%	2,428.84	36.17%	3,281.64	36.75%

#As certified by Shiv & Associates, Chartered Accountants, through its certificate dated September 11, 2025.

The Company's revenue contribution from Delhi decreased during FY 2024–25 primarily due to a strategic shift in business focus. Historically, the Delhi unit contributed a major portion of revenue through telemedicine and medicine-sales activities. During FY 2023–24 and FY 2024–25, the Company undertook a conscious strategic decision to reduce dependency on this segment and instead concentrate on expanding hospital-based services, which offer better scalability and long-term sustainability.

As a result of this shift in operational focus, activity levels in the Delhi unit declined, leading to a reduction in product-based revenue and, consequently, a lower overall contribution from the region. Accordingly, Delhi's share of total revenue reduced from 57.40% in FY 2022–23 to 28.90% in FY 2024–25.

The detailed year-wise revenue contribution is presented below:

(Amount in Lakhs)

Particulars	2024-25		2023-24		2022-23	
	Amount	%	Amount	%	Amount	%
Products	1,430.65	64.57%	2,718.83	90.01%	4,771.66	93.10%
Services	785.04	35.43%	301.77	9.99%	353.64	6.90%
Total	2,215.69	100.00%	3,020.60	100.00%	5,125.30	100.00%

This decline is therefore attributable to the Company's strategic reallocation of resources from telemedicine and medicine distribution in Delhi to hospital-centric services, resulting in a reduction in revenue from the Delhi region.

On the other hand, revenue from Haryana increased significantly, with its contribution rising from 3.5% in FY 2022-23 to 27.5% in FY 2024-25. This growth was mainly driven by the launch and rapid expansion of the Gurugram Hospital, which became operational in FY 2023-24 and achieved full-scale operations in FY 2024-25.

PRODUCT WISE REVENUE BIFURCATION FOR THE PAST 3 FINANCIAL YEARS:

S. No.	Category	FY 22-23 Revenue		FY 23-24 Revenue		FY 24-25 Revenue	
		Revenue	% of Product Revenue	Revenue	% of Product Revenue	Revenue	% of Product Revenue
1	Tablet	4,409.74	52.87%	3,147.23	51.90%	2,777.44	56.41%
2	Capsule	821.02	9.84%	833.42	13.74%	818.55	16.63%
3	Kwath	2,201.58	26.40%	1,415.65	23.35%	605.60	12.30%
4	Ark	731.82	8.77%	481.64	7.94%	577.55	11.73%
5	Churan	74.64	0.89%	72.05	1.19%	74.10	1.51%
6	Oil	79.20	0.95%	62.41	1.03%	66.68	1.35%
7	Others	22.53	0.27%	51.22	0.84%	3.38	0.07%
	Total Revenue from product	8,340.52	100.00%	6,063.62	100.00%	4,923.30	100.00%

TOP 10 SELLING PRODUCTS FOR THE PAST 3 FINANCIAL YEARS:
(Amount in Lakhs)

TOP 10 SALE ITEMS FOR F.Y 2022-23				
S. No	ITEM	CATEGORY	AMOUNT	% of revenue
1	AYURVEDIC SHASTAROK MEDICINE*	-	3,712.41	44.51%
2	REN PLUS ULTRA KWATH	Kwath	681.71	8.17%
3	T. RENAL- PLUS (T-1)	Tablet	361.05	4.33%
4	SUPPLEMENTS T-1	Tablet	277.52	3.33%
5	SUPPLEMENTS T-3	Tablet	268.79	3.22%
6	SUPPLEMENTS T-2	Tablet	261.60	3.14%
7	NEPHRO-WIN	Ark	183.58	2.20%
8	SUPRA NEPH	Tablet	159.54	1.91%
9	GLY	Capsule	155.14	1.86%
10	NEPH	Tablet	152.27	1.83%
	Total		6,213.60	74.50%
	Total Sale of Product		8,340.52	100.00%

(Amount in Lakhs)

TOP 10 SALE ITEMS FOR F.Y 2023-2024				
S. No	ITEM	CATEGORY	AMOUNT (In Rs.)	% of revenue
1	AYURVEDIC SHASTAROK MEDICINE*	-	2,830.15	46.67%
2	T RENAL PLUS (TAB 1)	Tablet	394.53	6.51%
3	T RENAL KFT (TAB 2)	Tablet	266.38	4.39%
4	KRM HTN -GO	Capsule	189.55	3.13%
5	CPV	Tablet	143.07	2.36%
6	U CLEAR E	Tablet	120.08	1.98%
7	RENAL PLUS (KIDNEY KWATH)	Kwath	116.31	1.92%
8	SUPRA NEPH	Tablet	98.80	1.63%
9	NEPH	Tablet	98.68	1.63%

10	KRM AROSAM	Capsule	92.57	1.53%
	Total		4,350.12	71.74%
	Total Sale of Product		6,063.62	100.00%

(Amount in Lakhs)

TOP 10 SALE ITEMS FOR F.Y 2024-25				
S. No	ITEM	CATEGORY	AMOUNT	% of revenue
1	NEPH	Tablet	357.48	7.26%
2	SUPRA NEPH	Tablet	353.40	7.18%
3	AYURVEDIC SHASTAROK MEDICINE*	-	307.22	6.24%
4	U CLEAR E	Tablet	271.22	5.51%
5	RENPLUS ULTRA KWATH	Kwath	204.92	4.16%
6	T RENAL PLUS (TAB 1)	Tablet	185.39	3.77%
7	CP Soma Capsule	Capsule	132.99	2.70%
8	K-CALM	Tablet	123.12	2.50%
9	T Renal Plus	Tablet	120.80	2.45%
10	KRM AROSAM	Capsule	116.82	2.37%
	Total		2,173.36	44.14%
	Total Sale of Product		4923.30	100.00%

Note:- Shastarok is a customized ayurvedic assortment prepared by combining tablets, kwath, ark, capsules, churan and oil in different proportions as per each customer's specific requirements.

REVENUE BREAKUP BASED ON ITS PRODUCT SALES TO PRIVATE ORGANIZATIONS, GOVERNMENT AND INSTITUTIONS IN THE PAST 3 FINANCIAL YEARS AND STUB PERIOD.

(Amount in Lakhs)

S. No.	Particulars	Category	FY 2024-25	FY 2023-24	FY 2022-23
1	Product	Government	189.40	16.89	-
2		Private Organization	4,733.90	6,046.72	8,340.52
3		Institution	-	-	-
	Total		4,923.30	6,063.61	8,340.52

REVENUE BIFURCATION BASED ON GOVERNMENT AND NON-GOVERNMENT ENTITIES IN THE PAST 3 FINANCIAL YEARS.

(Amount in Lakhs)

S. No.	Particulars	Category	FY 2024-25	FY 2023-24	FY 2022-23
1	Services	Government	2,062.14	510.53	-
2		Non Government	669.83	141.43	588.18
	Total		2,731.97	651.95	588.18

REVENUE BIFURCATION BASED ON INDIVIDUALS, INSURERS AND GOVERNMENT ORGANIZATIONS/ENTITIES IN THE PAST 3 FINANCIAL YEARS.

(Amount in Lakhs)

S. No.	Particulars	Category	FY 2024-25	FY 2023-24	FY 2022-23
1	Services	Government	2,062.14	510.53	-
2		Individual	633.04	141.43	588.18
3		Insurance	36.79	-	-
	Total		2,731.97	651.95	588.18

REVENUE BREAK UP BASED ON IN-PATIENT & OUT-PATIENT CARE FOR THE PAST 3 FINANCIAL YEARS.

(Amount in Lakhs)

S. No.	Particulars	Category	FY 2024-25	FY 2023-24	FY 2022-23
1	Product	In-Patient	471.13	886.32	2,015.25
2		Out-Patient	727.96	840.58	204.37
Total			2,731.97	651.95	1,199.10

(Amount in Lakhs)

S. No.	Particulars	Category	FY 2024-25	FY 2023-24	FY 2022-23
1	Services	In-Patient	2,896.15	637.16	226.11
2		Out-Patient	25.22	31.68	362.07
Total			2,731.97	651.95	2,921.37

RAW MATERIALS USED BY COMPANY FOR ITS PRODUCTS ALONG WITH SOURCES OF RAW MATERIALS.

The Company procures raw materials from various suppliers based in India, with no formal supply agreements or contracts currently in place. The selection of suppliers is determined by factors such as product availability, pricing,

logistics, and quality requirements, allowing the Company to maintain flexibility in its procurement process. This approach enables the Company to adapt swiftly to changing market conditions and ensures timely delivery of high-quality goods to its clients. The supplier base is dynamic and subject to change, as the Company prioritizes operational agility and the ability to respond to evolving procurement needs without being bound to any single vendor.

Below are the details of few significant raw materials:

S. No.	Raw Material	Usage
1	Gudmar	Diabetes, Weakness, Urinary Disorders
2	Triphala	
3	Trikatu	
4	Shuddha Shilajit	
5	Giloy	
6	Bimbi	
7	Starch	
8	Gum acacia	
9	Gelatin	
10	Talcum	
11	Pippali	
12	Chirayta	
13	Talcum Powder (I.P.)	
14	Empty Capsule Hard Gelatin Black/Purple"0"	
15	Haldi Powder	Low Immune State, Inflammatory Joint Pains, Skin Allergies, Allergies, And Chronic Infection
16	Haldi Extract	
17	Dry Starch	
18	Empty Capsule Hard Gelatin Yellow/Yellow "0"	Anemia, Weakness
19	Navayas Lauha	
20	Lauh Bhasma	
21	Dhatri Lauha	
22	Punarnavadi Mandur	

23	Tapyadi Lauha	
24	Empty Capsule Hard Gelatin SC/SC "0"	
25	Gokhru Extract	Chronic Kidney Disease, Renal Stones, Prostate Hypertrophy
26	Bimbi Extract	
27	Shuddha Guggulu Extract	
28	Giloy Extract	
29	Motha Extract	
30	Triphala Extract	
31	Trikatu Extract	
32	Gum acacia	
33	Gelatin	
34	Rakta Punarnava Extract	Chronic Kidney Disease, Oedema
35	Kutki Extract	
36	Gokshura Extract	
37	Vayvidang Extract	
38	Pushkarmoola Extract	
39	Devdaru Extract	
40	Indrajau Extract	
41	Kiratikt Extract	
42	Chitrak Extract	
43	Nishoth Extract	Chronic Kidney Disease, Chronic Urinary Tract Infection, Renal Calculi, Weakness, Prostomegaly
44	Triphala Extract	
45	Trikatu Extract	
46	Trivritta/Nishoth	
47	Chavya	
48	Devdaru	
49	Kankol Mirch	
50	Nagarmotha	
51	Haridra/Haldi Sabut	
52	Dhanyaka/Dhaniya	
53	Daruharidra	
54	Triphala	
55	Trikatu	
56	Trijatak	
57	Kiratikta/Chirayata	
58	Vidanga/Vai Vidang	
59	Brihati/Kateri Badi	
60	Kantakari/Kateri Chhoti	Hypertension
61	Shwet Chandan	
62	Starch	
63	Talcum	
64	Sarpagandha	
65	Piplamool	
66	Shuddha Bhang Beej	
67	Jatamansi	
68	Bhramhi	

69	Empty Capsule Hard Gelatin Blue/Blue "0"	
70	Ashwagandha	Weakness, Fatigue, As Nervine Tonic
71	Shatavari Pili	
72	Kharjuri	
73	Gokshur	
74	Sowa/Soya Beej	
75	Vidarikand	
76	Arjuna Chhal	
77	Maricha/Kali Mirch	
78	Pippali/Pipal Chhoti	
79	Bala Panchang	
80	Jaiphal	
81	Amalaki/Amla Dry	Chronic Kidney Disease, Proteinuria, Renal Stones
82	Panchtrin Mool Kwath	
83	Punarnava	
84	Jau	
85	Pitpapra	
86	Neem Chhal	
87	Gokhru	
88	Apamarg Beej	
89	Makoi	
90	Arni	
91	Amaltas Guda	
92	Kutki	
93	Pashanbhed	
94	Varun Chhal	
95	Kulthi	
96	Kasani Beej	
97	Pipal Chhoti	
98	Dhamasa	
99	Kasni Jad	
100	Vasa	
101	Shatawari Pili	
102	Vidhara	
103	Kateri chhoti	
104	Neem Patra	
105	Kateri Badi	
106	Haritaki	Chronic Kidney Disease, Proteinura
107	Bibhitaki	
108	Amlaki	
109	Marich/Kali Mirch	
110	Pippali/Pipal Chhoti	
111	Musta/Nagarmotha	
112	Pippalimool	
113	Yashtimadhu/Mulethi	
114	Shuddha Guggulu	

115	Gokhru Panchang Kwath	
116	Vai Vidang	Chronic Kidney Disease, Proteinuria
117	Pushkarmool	
118	Devadaru	
119	Haridra/Haldi Sabut	
120	Haritaki	
121	Gokshura	
122	Chitrakmool	
123	Indrayav	
124	Pipplimool	
125	Trivrit/Nishoth	
126	Shunthi	
127	Kantakari/Kateri Chhoti	Kidney And Urinary Disorders
128	Mandoor Bhasma	
129	Kanchnar Chhal	
130	Elaichi Chhoti	
131	Twak/Dalchini	
132	Tejpatra	
133	Haritaki	
134	Haridra	

CONSUMER COMPLAINTS REDRESSAL MECHANISM

Our Company has established a Consumer Complaint Redressal Mechanism to provide a transparent and effective procedure for the registration and resolution of consumer complaints regarding the company's services and products and ensuring timely redressal. This mechanism applies to all delivery and logistic; bill and payment; return and refund; service issues.

Registration: Complaints can be lodged through multiple channels:

- o In-person at all clinics/hospitals
- o Dedicated customer service helpline
- o Company's official website/contact form
- o Through Email
- o Postal mail to the registered office

Once the Complaint is registered, an acknowledged reference number is provided within 24 hours of receipt (excluding weekends/holidays). Further an initial response on the nature of the complaint and expected resolution timeline will be provided within 48 hours. Once the complaint is registered it is logged into Complaint Register and based on the criteria of severity categorized into High Priority (resolve within 24 hours), Medium priority (resolve within 3-5 days), Low priority (resolve within 7- 15 days). Further complaints are classified as service-related or product-related.

Resolution and Communication: Upon investigation, findings with explanations are communicated with final decision in writing to the complainant. Further actions taken such as rectification of service/product, refund, or replacement etc. are also communicated. Thereafter complaint is considered as closed.

Record-keeping and Reporting: All complaints, investigations, and actions taken are recorded and securely maintained for at least 3 years. Further, periodic review of complaints by management for trend analysis, corrective actions, and policy improvement is also done.

HUMAN RESOURCE

EPF AND ESIC PAID BY THE COMPANY ALONG WITH NUMBER OF EMPLOYEES FOR THE PAST 3 FINANCIAL YEARS:

ESIC Paid during last three financial year			
Particulars	As on 31.03.2025	As on 31.03.2024	As on 31.03.2023
Total Number of employees	362	338	515
No. of Employee covered	55	70	182
No. of Employee not covered*	307	268	333
Total amount paid during financial year (Rs.)	4,77,310	9,78,881	13,26,670

*Reason for employees not covered - salary above threshold limit

EPF Paid during last three financial year			
Particulars	As on 31.03.2025	As on 31.03.2024	As on 31.03.2023
Total Number of employees	362	338	515
No. of Employee covered	110	110	151
No. of Employee not covered*	252	228	364
Total amount paid during financial year (Rs.)	42,85,646	52,98,760	67,76,393

*Reason for employee not covered- declaration signed by employee for non-deduction of PF

ATTRITION RATE

Over the past three years, our company has experienced fluctuation in attrition rates: 37% in 2023, 78% in 2024 and 32% in 2025. Also, the same has been mentioned in the table below:

Particulars	As on		
	March 31, 2025	March 31, 2024	March 31, 2023
No. of Employees at start of year	341	523	287
No. of Employees Joined	168	228	674
No. of Employees Left	114	339	150
No. of Employees at the End	377	341	523
Average No. of Employees	359	432	405
Attrition Rate %	31.75%	78.47%	37.04%

*Total employees also include Key Managerial Personnel (KMP).

In FY22-23 attrition rate was high 37% because we hired employees in order to increase the revenue mix (674 joined per risk factor) and then some employees left during performance reviews (114 left, which is 37% of average workforce).

Further, In FY23-24 attrition increased to 78% due to the strategic focus shift adopted by company from product revenue towards revenue from services resulting in many resignations..

Also, we did not hired employees under tele consulting and sales which used to comprise largest concentration of human resources and started hiring for the clinics and hospitals only.

We also introduced leadership team for better employee engagement and training programs in late FY24-25 which helped attrition drop to 32%.

TOP 10 SUPPLIERS ON THE BASIS OF RESTATED FINANCIAL STATEMENTS

For Financial Year 2024-2025

S No.	Supplier	Services/Products	Amount	% total purchase
1)	Supplier 1	Product	383.23	24.33%

2)	Supplier 2	Product	226.35	14.37%
3)	Supplier 3	Product	170.53	10.83%
4)	Supplier 4	Product	150.94	9.58%
5)	Supplier 5	Product	119.06	7.56%
6)	Supplier 6	Product	93.13	5.91%
7)	Supplier 7	Product	57.56	3.65%
8)	Supplier 8	Product	49.34	3.13%
9)	Supplier 9	Product	47.14	2.99%
10)	Supplier 10	Product	46.84	2.97%
Total			1,344.12	85.34%

For Financial Year 2023-2024

(Amount in Lakhs)

S No.	Supplier	Services/Products	Amount	% total purchase
1)	Supplier 1	Product	251.62	23.27%
2)	Supplier 2	Product	131.01	12.12%
3)	Supplier 3	Product	182.22	16.85%
4)	Supplier 4	Product	41.46	3.83%
5)	Supplier 5	Product	37.40	3.46%
6)	Supplier 6	Product	35.15	3.25%
7)	Supplier 7	Product	29.67	2.74%
8)	Supplier 8	Product	29.11	2.69%
9)	Supplier 9	Product	24.02	2.22%
10)	Supplier 10	Product	34.58	3.20%
Total			796.22	73.64%

For Financial Year 2022-2023

(Amount in Lakhs)

S No.	Supplier	Services/Products	Amount	% total purchase
1)	Supplier 1	Product	287.37	0.15
2)	Supplier 2	Product	154.70	0.08
3)	Supplier 3	Product	79.54	0.04
4)	Supplier 4	Product	70.75	0.04
5)	Supplier 5	Product	57.61	0.03
6)	Supplier 6	Product	54.76	0.03
7)	Supplier 7	Product	380.02	0.20
8)	Supplier 8	Product	131.30	0.07
9)	Supplier 9	Product	131.02	0.07
10)	Supplier 10	Product	120.14	0.06
Total			1,467.20	76.50%

Note: The names of Suppliers not disclosed due to confidentiality.

TOP 10 CUSTOMER ON THE BASIS OF RESTATED FINANCIAL STATEMENTS

For Financial Year 2024-2025

(Amount in Lakhs)

S No.	Customer	Services/Products	Amount	% of total sale
1)	Customer 1	Both	1729.84	0.23
2)	Customer 2	Products	1722.85	0.23
3)	Customer 3	Products	640.81	0.08
4)	Customer 4	Both	521.70	0.07
5)	Customer 5	Products	116.48	0.02
6)	Customer 6	Products	74.80	0.01

7)	Customer 7	Both	36.79	0.00
8)	Customer 8	Products	7.57	0.00
9)	Customer 9	Products	6.99	0.00
10)	Customer 10	Products	6.23	0.00
Total			4,864.07	63.54%

For Financial Year 2023-2024

(Amount in Lakhs)

S No.	Customer	Services/Products	Amount	% of total sale
1)	Customer 1	Both	3.63	0.05%
2)	Customer 2	Both	523.79	7.80%
3)	Customer 3	Products	598.96	8.92%
4)	Customer 4	Products	42.78	0.64%
5)	Customer 5	Products	29.07	0.43%
6)	Customer 6	Products	80.04	1.19%
7)	Customer 7	Products	515.34	7.67%
8)	Customer 8	Products	559.37	8.33%
9)	Customer 9	Products	201.94	3.01%
10)	Customer 10	Products	289.00	4.30%
Total			2,843.92	42.35%

For Financial Year 2022-2023

(Amount in Lakhs)

S. No.	Customer	Services/Products	Amount	% of total sale
1)	Customer 1	Services	3.85	0.04%
2)	Customer 2	Both	69.50	0.78%
3)	Customer 3	Both	871.81	9.76%
4)	Customer 4	Both	106.25	1.19%
5)	Customer 5	Both	1433.92	16.06%
6)	Customer 6	Products	28.90	0.32%
7)	Customer 7	Both	847.78	9.49%
8)	Customer 8	Products	39.86	0.45%
9)	Customer 9	Products	3.45	0.04%
10)	Customer 10	Products	27.25	0.31%
Total			3,432.59	38.44%

Note 1: The names of Customers not disclosed due to confidentiality.

Note 2: Both- Billing contains both Product and Services.

LAND AND PROPERTIES

Following are the details of land and Properties used by our company:

S. No.	Address	Usage	Owned/Rented/ Leased	Name of the Owner	Tenure	Rent Amount (Rs.)	Area Sq. Ft.
7.	Plot No 105AA, Killa No 46/10/2/2, 46/10/2/5, 46/11/12/1/1, Village Silokara, Sec-41, Tehsil Wazirabad, Dist Gurugram, Haryana	Hospital	Rented	Mr. Kamal Sharma and Ms. Shyam Lata	28-11-2025 to 27-10-2026	1,95,000/- p.m.	5400

*The lessor of the immovable properties as mentioned in the table fall under Promoters or Promoter Group hence

are related party.

- Trademark consisting of device/word registered or filed in the name of the **KRM Ayurveda Private Limited**.

S. No.	Trademark Name	Trademark/ Wordmark	Date of Application	Application Number	Class	Current Status
5	KRM Ayurveda		November 18, 2024	6715349	Class 44: Medical services, veterinary services, hygienic and beauty care for human beings or animals; agriculture, horticulture and forestry services	Accepted
6	KRM Ayurveda		November 18, 2024	6715348	Class 5: Pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; materials for stopping teeth, dental wax; disinfectants; preparation for destroying vermin; fungicides, herbicides.	Accepted
7	Karma Activ Tek		October 15, 2023	6149905	Class 5: Pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; materials for stopping teeth, dental wax; disinfectants; preparation for destroying vermin; fungicides, herbicides.	Objected *

**Note: Reason for objection of the Trademark: The objection is raised under S 11 (1) of the Trade Marks Act, 1999, as the mark is identical with or similar to earlier marks in respect of identical or similar description of goods and because of such identity or similarity there exists a likelihood of confusion on the part of the public. The company shall not pursue the registration of the trademark.*

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

BUSINESS OVERVIEW

Our Company, established in 2019, is operating a network of hospitals and clinics across multiple cities in India as well as marked its presence in abroad through telemedicines consulting and sales. Presently, Company runs 6 (Six) Hospitals and 5 (Five) Clinics at different locations in the country. Though KRM Ayurveda started off as a kidney hospital and it continues to provide specialized treatment for kidney disorders, the Company has widened its horizons in the past few years and has now evolved for various health disorders such as kidney disorder, Liver Cirrhosis, Diabetes, Fatty Liver, Arthritis etc. Company has marked its reach globally as well through Tele-Consultancy Services. Further, we focus on specialized segments within the medical and healthcare domain that address specific health issues and challenges, such as addiction, personal care, wellness, and related areas and for that we are engaged into trading of Ayurvedic medicine, oils and supplements. Details of our key products are provided on page 186 of the DRHP.

Statement “We integrate authentic Ayurvedic wisdom with modern practices to address chronic, lifestyle, and preventive health needs through personalized care and wellness programs” being looking marketing statement has been removed.

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OUR MANAGEMENT

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Mr. Puneet Dhawan, aged 37, is one of promoters. He was appointed as Managing Director on March 15, 2025 of our company for the term of 5 years. He commenced his professional journey in the field of Ayurveda in the year 2013, upon obtaining his Bachelor of Ayurvedic Medicine and Surgery (BAMS) degree from the University of Delhi. Following the completion of his degree, he established his clinical practice under the name "Karma Ayurveda" in Delhi in 2013. With the vision to expand and formalize his business operations, he subsequently promoted and incorporated KRM Ayurveda Private Limited in the year 2019. He has been consistently engaged in the practice of Ayurveda since 2013, contributing to the growth and advancement of the organization under his leadership.

Mr. Puneet Dhawan, with his strong educational background and extensive industry knowledge, serves as a valuable leader within the Company. Recognized at the Indian Healthcare Federation (IFA) with the award for Best Ayurveda Doctor in India, Dr. Puneet Dhawan has significantly contributed to the growth and reputation of the hospitals by emphasizing excellence in patient care and quality healthcare delivery.

Mrs. Tanya Dhawan, aged 34 years, is one of our promoters and serves as Non-Executive Director of the company. She has been associated with the Company since its incorporation in 2019 as a Promoter and Director. During her initial tenure of two years on the Board, she was actively involved in shaping the Company's strategic direction and ensuring effective governance. After obtaining a professional diploma in Dietetics, she pursued a career in health consultancy, further enhancing her expertise in nutrition and wellness. She rejoined the Board of the Company in September 2025 as a Non-Executive Director. She continues to contribute to the Company through her professional services in the areas of marketing and dietetic consultancy. She also holds the degree of master's in mass communication in 2014 from Guru Gobind Singh Indraprastha University. Mrs. Dhawan's ability to combine her knowledge of communication and health has allowed her to craft effective wellness campaigns for individuals, helping them lead healthier, more balanced lives.

Mr. Sanchit Hans, aged 28 years, being designated as the Whole-time director of the company w.e.f. March 15, 2025 for the term of 5 years. He completed his Bachelor degree in Commerce in 2014. Mr. Sanchit Hans possesses an overall professional experience of approximately four years. He has been associated with the Company since July 2021, when he joined as a Director on the Board. During his tenure, he has gained valuable experience in operations management and business administration. He continues to be actively involved in the affairs of the Company, contributing to its growth and operational efficiency. Having 4 Years of experience in Business Administration, Mr. Sanchit holds an eminent role in the organization.

Mrs. Vandana Gupta, aged 43 years, serves as the Independent Director of the company w.e.f. January 21, 2025. Mrs. Vandana Gupta is a qualified Company Secretary and a member of the Institute of Company Secretaries of India (ICSI) since June 2004. She commenced her professional career as a Whole-time Company Secretary in Practice under the proprietorship "M/s Vandana Gupta & Associates, Company Secretaries." Subsequently, she served as Company Secretary with Integrated Health and Healthcare Services India Private Limited (a wholly owned subsidiary of Integrated Hospital and Healthcare Services Limited, Mauritius) from March 2008 to March 2010. Thereafter, leveraging her enriched corporate experience, she resumed her independent practice as a Whole-time Company Secretary under the same proprietorship from April 2010 and has since been continuously providing professional services to a diverse range of corporate clients. She also holds LLB degree from CCS University. She has around 21 years of experience in compliance and corporate governance. Her association with the Company will significantly contribute to the continued growth and success of our company.

Ms. Laxmi, aged 25, serves as Independent Director of the company w.e.f. January 21, 2025. Ms. Laxmi holds a Master's Degree in Commerce (M.Com) from Indira Gandhi National Open University, New Delhi. She commenced her professional career in October 2021 with Darsh Business Solutions Private Limited and is presently

serving as Manager – Sales & Marketing. Over her tenure of more than three years, she has acquired valuable experience and developed strong expertise in the areas of sales and marketing. As an independent director, her impartial and unbiased perspective will play a key role in driving the company's continued growth and success.

CHANGES IN THE BOARD FOR THE LAST THREE YEARS

Name of Director	Date of Event	Reason for Change
Mr. Som Dev Dhawan*	December 26, 2024	Resigned as Director of the company

* Mr. Som Dev Dhawan, who is 73 years of age, conveyed his decision to resign from the Board of Directors in view of his advanced age. Considering the enhanced demands and increased day-to-day involvement required for the business, Mr. Dhawan felt that he would be unable to continue rendering his services to the Company in the desired capacity. Accordingly, he decided to step down from his role as a Board member.

SENIOR MANGAEMENT PERSONNEL

Name	Dr. Himanshu Shekhar Tiwari
Department	Quality Control
Date of Appointment	May 25, 2023
Qualification	Doctor of Medicine (Ayurveda)
Overall Experience	He has more than 19 Years of Experience as Technical Head and Medical Advisory
Current Salary	Rs. 2,97,136/- per month
Name	Dr. Bhuvnesh Goyal
Department	Hospital Operations
Date of Appointment	September 01, 2023
Qualification	Master of Business Administration
Overall Experience	He has more than 2 Years of Experience in Operations.
Current Salary	Rs. 2,15,686/- per month
Name	Prashanti Chaudhary
Department	Sales
Date of Appointment	June 01, 2021
Qualification	Bachelor of Technology (B. Tech)
Overall Experience	She has more than 8 Years of overall Experience.
Current Salary	Rs. 1,50,997/- per month
Name	Ashish Malik
Department	Purchase
Date of Appointment	October 19, 2021
Qualification	Senior Secondary Passed
Overall Experience	He has more than 3 years of experience as Purchase Head.
Current Salary	Rs. 28,336/- per month
Name	Bhawna Chaudhary
Department	Dispatch

Date of Appointment	December 04, 2021
Qualification	Bachelor of Commerce
Overall Experience	She has more than 3 years of experience as Dispatch Manager.
Current Salary	Rs. 42,964/- per month
Name	Nikita Arora
Department	IT & Administration
Date of Appointment	June 01, 2021
Qualification	Bachelor of Business Administration
Overall Experience	She has more than 4 years of experience in Administration.
Current Salary	Rs. 66,000/- per month
Name	Aakriti Sharma
Department	Human Resource
Date of Appointment	June 01, 2021
Qualification	Master of Business Administration (HR and Marketing)
Overall Experience	She has more than 8 years of experience as HR Recruiter.
Current Salary	Rs. 46,621/- per month
Name	Mukul Kandhari
Department	Marketing
Date of Appointment	February 11, 2023
Qualification	Bachelor of Commerce in Accounting
Overall Experience	He has more than 13 years of overall experience.
Current Salary	Rs. 50,600/- per month
Name	Tarun Batra
Department	Clinics
Date of Appointment	April 30, 2022
Qualification	Master of Business Administration (Marketing)
Overall Experience	He has more than 13 years of overall experience.
Current Salary	Rs. 2,53,000/- per month
Name	Avtar Singh Rana
Department	Finance & Accounts
Date of Appointment	May 01, 2025
Qualification	Bachelor of Commerce
Overall Experience	He has more than 20 years of experience in Accounting.
Current Salary	Rs. 50,000/- per month

Notes:

- All of our Senior Management Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, consumers, suppliers or others pursuant to which any of the above-mentioned personnel was selected as a director or member of senior management.
- None of our Senior Management Personnel has entered into any service contracts with our Company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Senior Management Personnel for which our Company has not executed any formal service contracts; although they are abide by their terms of appointments.

OUR PROMOTER GROUP

COMMON PURSUITS OF OUR PROMOTERS

Some of our promoter group entities have business objects similar to our business. These entities are:

1. **Karma Life Care LLC_USA:** The principal business activity of Karma Life Care LLC, USA is the sale of Ayurvedic products. The said entity operates solely as a related party in connection with the Company, and all transactions with Karma Life Care LLC, USA have been duly disclosed under the section on Related Party Transactions.
2. **Karma Online Services LLC_USA:** The principal business activity of Karma Online Services LLC, USA is the sale of Ayurvedic products. The said entity conducts business solely in the capacity of a related party with the Company, and all transactions with Karma Online Services LLC, USA have been duly disclosed under the section “Related Party Transactions” in this Draft Red Herring Prospectus.

If any conflict of interest arises it may have an adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

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SECTION VI- FINANCIAL INFORMATION
FINANCIAL INFORMATION AS RESTATED

Note 28: Related Party Disclosure

(Amount in Lakhs)

Particulars	For the year ended		
	31-Mar-25	31-Mar-24	31-Mar-23
Remuneration Paid	158.22	90.00	91.60
Som Dev Dhawan	49.00	60.00	60.00
Sanchit Hans	18.59	18.00	19.60
Tanya Dhawan	6.00	12.00	12.00
Puneet Dhawan	84.00	-	-
Pooja Garg	0.63	-	-
Consultancy	6.00	-	-
Tanya Dhawan	6.00	-	-
Purchase (Fixed Assets)	6.50	2.50	-
Karma Ayurveda (Gross)	6.50	2.50	-
Royalty	100.00	100.00	100.00
Puneet Dhawan	100.00	100.00	100.00
Rent Paid/ Lease Rent	182.31	170.21	120.36
Puneet Dhawan	164.26	153.87	110.45
Som Dev Dhawan	18.05	16.34	9.91
Purchase (Fixed Assets)	14.14	-	-
Blue Bliss Motels & Resorts	14.14	-	-
Sales	2,363.66	648.38	-
Karma Ayurveda (Gross)	-	6.64	-
Karma Life Care LLC	1,722.85	598.96	-
Karma Online Services LLC	640.81	42.78	-
Interest Paid	-	0.09	0.09
Aruna Dhawan	-	0.09	0.09
Loan Accepted	-	-	45.00
Aruna Dhawan	-	-	45.00
Loan Repaid	-	45.00	1.00
Aruna Dhawan	-	45.00	-
Tanya Dhawan	-	-	1.00
Balances outstanding as at year end			
	As at		
Particulars	31-Mar-25	31-Mar-24	31-Mar-23
Royalty Payable	98.00	-	13.00
Puneet Dhawan	98.00	-	13.00
Balances of related Parties	(176.78)	78.89	-
Karma life care LLC	(67.89)	(94.66)	-
Karma online services LLC	(108.89)	15.77	-
Remuneration Payable	8.66	4.61	3.51
Som Dev Dhawan	1.90	3.35	2.25
Puneet Dhawan	4.90	-	-
Sanchit Hans	1.86	1.26	1.26

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

BUSINESS OVERVIEW

Our Company, established in 2019, is operating a network of hospitals and clinics across multiple cities in India as well as marked its presence in abroad through telemedicines consulting and sales. Presently, Company runs 6 (Six) Hospitals and 5 (Five) Clinics at different locations in the country. Though KRM Ayurveda started off as a kidney hospital and it continues to provide specialized treatment for kidney disorders, the Company has widened its horizons in the past few years and has now evolved for various health disorders such as kidney disorder, Liver Cirrhosis, Diabetes, Fatty Liver, Arthritis etc. Company has marked its reach globally as well through Tele-Consultancy Services. Further, we focus on specialized segments within the medical and healthcare domain that address specific health issues and challenges, such as addiction, personal care, wellness, and related areas and for that we are engaged into trading of Ayurvedic medicine, oils and supplements. Details of our key products are provided on page 186 of the DRHP.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 28 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
2. Company's results of operations and financial performance;
3. Performance of Company's competitors;
4. Significant developments in India's economic and fiscal policies;
5. Failure to adapt to the changing needs of industry and in particular Sector may adversely affect our business and financial condition;
6. Volatility in the Indian and global capital market;
7. Intense competition from other unlisted peer companies in the industry, domestic or foreign.
8. Changes in Ayurvedic Industry demand.
9. Our ability to attract and retain qualified doctors and nursing staffs.
10. Our ability to maintain the quality of our services.
11. Our ability to maintain tie-ups and collaborations with national and international partners.
12. Our ability to successfully implement Marketing strategies.
13. Our ability to maintain brand image.
14. Our ability to update and adapt to new technology.
15. Repetitive orders from consumers
16. Brand awareness

FACTORS AFFECTING PRODUCTION RELATING TO COMPANY'S PRODUCTS:

The key factors affecting production relating to the Company's products are as under:

- Increasing competition from healthcare and wellness service providers.
- Limited availability of good-quality raw materials required for medicines and therapies.
- Dependence on third-party logistics providers for procurement and distribution.
- Availability of skilled medical, therapeutic, and support staff specialized in Ayurvedic treatments.
- Market perception and awareness risks, including misconceptions that Ayurveda involves slow recovery or is unsuitable for critical conditions.

MANAGEMENT'S DISCUSSION ON RESULTS OF OPERATION

FISCAL YEAR ENDED MARCH 31, 2025, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2024 (BASED ON RESTATED FINANCIAL STATEMENTS)

◆ Profit after tax

Profit after tax for the period ended 31st March 2025, stood at Rs. 1,212.52 lakhs and for the year ended 31st March 2024 it was Rs. 341.36 lakhs representing an increase of 255.20%.

Reason: Revenue from operations increased from Rs. 6,715.57 Lakhs in FY 2023–24 to Rs. 7,655.27 Lakhs in FY 2024–25, reflecting a 13.99% growth year-on-year.

- **Post-NABH Accreditations:** After completing NABH accreditation, the Company became empanelled with CGHS and ECHS in H2 FY 2023–24. which causes increase in revenue from government.
- **Hospital Revenue Expansion:** Revenue from hospitals and clinics increased nearly by 319.04% from the previous year, driven by empanelment-based patient inflow and enhanced occupancy levels.

(Amount in Lakhs)

Particulars	FY 2024-25	FY 2023-24
Government	2,062.14	510.53
% increase		303.92%
Non Government	669.83	141.43
% increase		373.62%
Total Revenue from service	2,731.97	651.95
% increase		319.04%

• Revenue Mix Improvement:

- FY 2023–24: Hospital services contributed ~10% of total revenue.
- FY 2024–25: Hospital services contributed ~35% of total revenue, while telemedicine/medicine sales dropped proportionally.

(Amount in Lakhs)

Particulars	FY 2024-25	FY 2023-24
Sale of Product	4,923.30	6,063.62
% increase		(18.81%)
Sale of Services	2,731.97	651.95
% increase		319.04%
Revenue from Operations	7,655.27	6,715.57
% increase		13.99%

Reason for increase in PAT

Profit after tax for the period ended 31st March 2025, stood at Rs. 1,212.52 lakhs and for the year ended 31st March 2024 it was Rs. 341.36 lakhs representing an increase of 255.20%.

(Amount in Lakhs)

Particulars	FY 2024-25	FY 2023-24
Revenue from Operations	7,655.27	6,715.57
% increase		13.99%
Total Expense	6,061.16	6,284.53
% increase		(3.55)%
PAT	1,209.72	341.22
PAT Margin	15.76%	5.05%

- Increase in Revenue from Operations:**
 The Company's revenue from operations increased by 13.99% during FY 2023-24, mainly driven by higher income from services. This growth was primarily due to the implementation of CGHS and ECHS services, which became effective in the second half of the previous year.
- Change in Revenue Mix:**
 There was a notable shift in the revenue composition, with the share of service income increasing from 9.71% in FY 2023-24 to 35.69% in FY 2024-25. This reflects the Company's strategic move to focus more on service-based revenue and reduce dependence on product sales.
- Decrease in Total Expenses:**
 Total expenses decreased by 3.55% compared to the previous year. The reduction was mainly due to a decline in advertisement expenses, resulting from lower product sales and the changing revenue mix.
- Stable Employee and Operating Costs:**
 The employee costs and other operating expenses remained largely consistent with the previous year, indicating effective cost control despite the shift in business operations.
- Transition Phase Impact:**
 FY 2023-24 represented a transition phase for the Company, where focus was on increasing service-related revenue through CGHS and ECHS while gradually reducing product-based revenue. Although overall expenses remained stable, this change in the business mix led to a decline in Profit After Tax (PAT) compared to FY 2022-23.

FISCAL ENDED MARCH 31, 2024, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023 (BASED ON RESTATED FINANCIAL STATEMENTS)

◆ **Profit after Tax**

The profit after tax for the Financial Year 31st March 2024, stood at Rs. 346.08 Lakhs whereas in Financial Year 31st March 2023 it stood at Rs 747.45 Lakhs representing a decrease of 53.70%.

Reason:

Decrease in PAT

(Amount in Lakhs)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations	6,715.57	8,928.71
% increase	(24.79)%	
Total Expense	6,284.53	7,929.01
% increase	(20.74)%	
PAT	341.22	747.45
PAT Margin	5.05%	8.36%

Reasons for Decrease in Profit After Tax (PAT):

- Decline in Revenue from Operations:**
 The primary reason for the decrease in Profit After Tax (PAT) was a **24.79% decline in revenue from operations** compared to the previous year. The reduction in revenue was mainly due to the shift in focus from telemedicine and product sales to hospital-based services.

Revenue from operations decreased from Rs. 8928.71 Lakhs in FY 2022-23 to Rs. 6715.57 Lakhs in FY 2023-24, marking a 24.8% decline year-on-year.

(Amount in Lakhs)

Particulars	FY 2023-24	FY 2022-23
Sale of Product	6,063.62	8,340.52
% increase	(27.30%)	
Sale of Services	651.95	588.18
% increase	9.71%	
Revenue from Operations	6,715.57	8,928.71
% increase	(24.79%)	

Strategic Transition Year: FY 2023–24 was a transition period, during which the Company shifted its primary focus from telemedicine and medicine sales to hospital and clinic-based services. In FY 2023-24 sale of service is 9.71% from 6.59% in FY 2022-23. Getting the empanelled with CGHS and ECHS.

- **Dual Cost Structure During Transition:**

During the transition phase, the Company incurred a **dual cost structure**. While telemedicine revenues declined, the Company continued to maintain its telemedicine workforce until the hospital operations reached full capacity. Towards the end of the year, these telemedicine staff members were gradually released. At the same time, the Company **recruited new clinical and administrative staff** to support the expansion of hospitals and clinics, leading to overlapping employee costs for a certain period.

- **Limited Financial and Human Resources:**

The Company faced resource constraints during this transition period. With limited financial and manpower availability, marketing and business development efforts were divided between telemedicine and hospital operations. This temporarily impacted sales growth and overall business momentum.

- **Transition Phase Impact:**

FY 2023-24 marked a **strategic transition phase** for the Company, with an increased focus on service-related revenue through **CGHS and ECHS** and a gradual reduction in product-based income. Although total expenses remained relatively stable, the combined effect of lower revenues and temporary dual costs led to a **decline in overall profitability (PAT)** compared to FY 2022-23.

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SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Our Board, in its meeting held on August 05,2025, determine that outstanding legal proceedings involving the Company, its Directors and Promoters and will be considered as material litigation (“**Material Litigation**”) if the

- two percent of turnover, as per the latest annual restated financial statements of the issuer; or
- two percent of net worth, as per the latest annual restated financial statements of the issuer, except in case the arithmetic value of the net worth is negative; or
- five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the issuer, as per the last audited standalone financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

I. LITIGATIONS INVOLVING OUR COMPANY

B. Civil litigations involving our Company

Civil litigations against our Company

As on the date of this Draft Red Herring Prospectus, below are the details of outstanding Civil Litigations against our Company.

S. No.	Case No./Forum	Parties	Case Type	Status	Case Summary
1.	CC/560/2023 Before District Consumer Disputes Redressal Commission, Gurugram - 122001	V.K. Bansal Vs KRM Ayurveda Pvt. Ltd. & Ors.	Consumer Complaint under section 35 of the Act.	Pending	A consumer complaint was filed by Mr. V.K. Bansal (Complainant) under section 35 of the Act mentioning that the Company (Respondent) has prescribed the medicines by making false promises and stating that the prescribed medicines will help the Complainant cure liver cirrhosis and will 100% result. Subsequently, the Complainant started taking the treatment for liver cirrhosis but there was no sign of any improvement in health. Therefore, the Complainant has prayed for: (a) refund of the entire amount paid to the Respondent for the medicines amounting to INR 50,00,000 (inclusive of interest at market rate) as compensation to the Complainant in lieu of loss of value of money, harassment, mental, agony etc. suffered by the Complainant; (b) litigation charges to the tune of INR 50,000 be paid by the Respondent; (c) to restrict the Respondent from running advertisements in public interest; (d) the authority to take actions initiate fair inquiry against the Respondents; and (e) to direct the Respondent to shut down his facility. The Next date of hearing is November 14, 2025.

Civil litigations initiated by our Company

As on the date of this Draft Red Herring Prospectus, there is one outstanding Civil Litigations initiated by our Company.

S. No.	Case No./Forum	Parties	Case Type	Status	Case Summary
1.	CS(COMM)/6731 /2024. Before the Court of Shri Umed Singh Grewa, District Judge-Commercial Court-02 (North), Rohini District Court, Delhi.	M/s KRM Ayurveda Pvt. Ltd. Vs Axis Bank & Ors	Commercial Suit	Pending	<p>The Commercial Suit for Declaration, Money Recovery/Damages and Permanent Injunction was filed on 6 September 2024.</p> <p>Axis Bank (Defendant) issued a corporate credit card (card) to the Company (Plaintiff) with monthly credit facility of INR 15,00,000. Initially, the Plaintiff availed full benefits of the card and duly paid the bills as raised by the Defendant against the card.</p> <p>However, due to some fraudulent withdrawals from the card in the month of January 2023, the Plaintiff requested to block the card via mails and messages. Thereafter, multiple requests were made for the same but no action was initiated by the Defendant.</p> <p>A new credit card was issued by the Defendant on Plaintiff's request but in the meantime an amount of INR 4,92,248.59 was withdrawn through various transaction fraudulently through the old credit card.</p> <p>Consequently, the Defendant is claiming the aforementioned amount from the Plaintiff along with GST and debit interest.</p> <p>Therefore, the Plaintiff has prayed to the Court to pass a decree and declare: (a) the claim amounting to INR 4,92,248.59 inclusive of interest and penalty amount as null and void; (b) recovery of damages of INR 2,50,000 towards reward points and compensation; (c) refund of additional payment INR 3,35,016 made by the plaintiff to the Defendant; (d) permanent injunction against the Defendant and (e) payment of costs of suit including Court fee, litigation expenses and lawyer's fees.</p> <p>The Defendant filed two applications asserting that a One-Time Settlement (OTS) offer of INR 1,21,000 was made to the Plaintiff, which included a condition requiring withdrawal of the present suit. However, the Plaintiff did not withdraw the case despite making the payment. The Defendant subsequently sought to file its written</p>

					<p>statement, which had earlier been barred. Pursuant to the order dated 29 April 2025, the Court allowed the Defendant's applications and granted leave to place the written statement on record.</p> <p>The decision is still pending as on date.</p> <p>The Next date of hearing is January 16, 2026</p>
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B. Civil litigations involving our Promoters

Civil litigations against our Promoters

As on the date of this Draft Red Herring Prospectus, there are two outstanding Civil Litigations initiated against our Promoters:

S. No.	Case No./Forum	Parties	Case Type	Status	Case Summary
1.	SC/9/A/2046/2023 Before the State Consumer Dispute Redressal Commission, Lucknow-I, Uttar Pradesh.	Smt. Sandhya Awasthi Vs Dr. Puneet B.A.M.S.	Appeal (under section 41 of Consumer Protection Act, 2019)	Current Status: Pending	<p>Smt. Sandhya Awasthi (Appellant) filed a complaint before Consumer Forum dated 9 November 2022, because she lost her 17 years old child Ayush due to medical negligence of Dr. Puneet Dhawan (Respondent). She requested before the Consumer Forum claiming a loss amounting to INR 50,00,000 in lieu of financial damages and mental agony, but the District commission dismissed the complaint vide order dated October 10, 2023.</p> <p>Subsequently, the Appellant filed a writ petition on November 17, 2023 before the Hon'ble High Court of Allahabad which was dismissed on the grounds that Appellant has an option to file appeal before State Consumer Dispute Redressal Commission and hence the writ was dismissed on November 23, 2023. Therefore, the Appellant filed an appeal against the aforementioned order requested to set aside the aforementioned order passed.</p> <p>The appeal is still pending as on date.</p> <p>The Next date of hearing is December 30, 2025.</p>
2.	CC/82/2022 Before the District Consumer Disputes Redressal Commission, Ballia, UP.	Gopal Singh Vs. Dr. Puneet Dhawan	Consumer Complaint under section 35 of the Act.	Current Status: Pending	<p>A consumer complaint was filed by Mr. Gopal Singh (Complainant) stating that his wife Mrs. Suman Singh was suffering from Kidney related disease and due to wrong medicine prescribed by Dr. Puneet Dhawan (Respondent), the Complainant has lost his wife.</p> <p>The Complainant contends that the Respondent told them to stop taking allopathic medicine, calling it fake and advised them to switch to the medicines</p>

					<p>prescribed by him, claiming that they had helped treat thousands of patients. Subsequently, after taking the medicines prescribed by the respondent, the health condition of the complainant's wife worsened, and she was admitted to the hospital, after which she passed away on August 06, 2021.</p> <p>The Complainant claims that the act of the Respondent contravenes several provisions of the Consumer Protection Act, including deficiency in service, false representation, unfair trade practice and breach of express guarantee.</p> <p>Therefore, the Complainant prays for compensation of INR 2,00,00,000 for the loss and suffering caused due to the act of the Respondent.</p> <p>The decision is still pending as on date. The Next date of hearing is October 24, 2025.</p>
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Civil litigations initiated by our Promoter

As on the date of this Draft Red Herring Prospectus, one of our promoters and promoter group has filed an appeal against ex-parte decision:

S. No.	Case No./Forum	Parties	Case Type	Status	Case Summary
1.	SC/6/A/518/2024 Before the State Consumer Dispute Redressal Commission, Haryana at Panchkula	Dr. Puneet Dhawan Vs Pintu Kumar	Appeal (under section 41 of Consumer Protection Act 2019) (Act)	Disposed	<p>Mr. Pintu Kumar (Complainant) was suffering from kidney disease, later he came to know through advertisement that Civil Hospital, Rewari (Hospital) where Puneet Dhawan (Opposite Party) is a doctor, is providing kidney treatment with 100% surety to cure the disease if the treatment is taken for 4-5 months. The Complainant paid INR 500 as OPD fee and later deposited INR 81,500 for 5 months of treatment at the Hospital but however only after 70 days of regular treatment the condition of the Complainant became worse.</p> <p>Therefore, the Complainant filed a complaint on July 18, 2022 against the Opposite Party and requested for the payment of INR 81,500, INR 20,000 as test amount, INR 5,00,000 for mental agony & other expenses, and INR 25,000 for legal expenses.</p> <p>The Ld. District Consumer Disputes Redressal Commission (Commission) passed an ex-parte order dated August 17, 2023 as nobody appeared on behalf of the Opposite Party. The Commission passed a final order dated September 19, 2023 directing the Opposite Party to remove all the advertisements displayed on its website and the social media</p>

					<p>giving false and misleading claim of 100% cure of kidney diseases and to pay back INR 81,500, along with compensation amounting to INR 4,00,000 on account of mental agony and INR 11,000 as litigation expenses (inclusive of interest rate amounting to 9% per annum failing which the said amount shall fetch an interest rate amounting to 12% per annum).</p> <p>Subsequently, the Opposite Party filed an appeal against the aforementioned final order on the grounds that Commission passed an ex-parte order.</p> <p>Therefore, the Opposite Party requested to the Commission to set aside the aforementioned final order.</p> <p>On 3 July 2025, it was submitted to the Commission that the matter has been settled between the Parties and the next date was given as 16 July 2025. The final order for disposal of the case has been passed on 16 July 2025.</p>
2.	SC/6/RP/34/2025 Before the State Consumer Disputes Redressal Commission Panchkula, Haryana	Karma Ayurveda V/s Darshan Singh & Anr.	Appeal (under section 41 of Consumer Protection Act 2019) (Act)	Current Status: Pending	<p>The present appeal dated 13 May 2025, arose out of the ex-parte decree passed on 27 October 2023, by DCDRC, Kurukshetra in the matter of the consumer complaint filed under Section 35 of the Act.</p> <p>As per the fact of the case, Mr. Darshan Singh (Complainant) was suffering from Kidney problem since 2014, later on he saw the public advertisement of the Karma Ayurveda (Appellant) claiming full recovery for the patients suffering from Kidney problem. The Complainant visited the hospital and the doctors recommended them a Ayurvedic kit (worth INR 75,500) for the course of 5 Months.</p> <p>The Complainants filed a complaint on September 30, 2022, contending that after taking these medicines the health condition of the complainant deteriorated which led to two minor heart attacks along with paralysis of both the legs. The complainant further prayed for cost of medicine along with payment for mental agony amounting to INR 13,35,056.</p> <p>The appellant appointed an advocate namely Vishal Saini, who took the date for filing written statement. Subsequent opportunities were given to the advocate to file the written statement but he did not file the same due to which ex-parte decree was passed dated 27 September 2023 which is challenged in this appeal.</p>

					<p>The appellant through this appeal states that Mr Vishal Saini, Advocate acted in a very malafide manner as he did not inform the appellant regarding current status and progress of the case and with regards to the deficiency of his service, the appellant has also approached Bar Council of Punjab & Haryana.</p> <p>The appellant appointed another counsel to look after the matter and approached the SCDRC and craves leave of the court to raise additional grounds.</p> <p>The appellant prayed before the SCDRC to set aside the ex-parte order and to give another opportunity to file written statement.</p> <p>The appeal is still pending as on date.</p> <p>The Next date of hearing is November 18, 2025.</p>
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Indirect Tax: As on the date of this Draft Red Herring Prospectus, there is one indirect tax proceeding initiated against our Company.

S. No.	Case Pending	Notice No./ Reference ID	Date	Facts	Status
1.	Show Cause Notice	ZD0707250 52232K	31 July 2025	<p>The GST Department issued a show cause notice dated 31 July 2025 under Section 73 of the Central Goods and Services Tax Act 2017, in relation to the tax returns filed by the Company for the period from April 2021 to March 2022. The notice alleged that the Company had not declared its correct tax liability by making an excess claim of Input Tax Credit (ITC) and availment of ITC from suppliers whose GST registrations were cancelled or who failed to discharge their GST liability. The Department has quantified the alleged tax shortfall at INR 41,48,465 which comprises of CGST of INR 6,93,352, SGST of INR 6,93,352 and IGST of INR 27,61,761, inclusive of interest and penalty.</p> <p>The Company filed its reply dated 25 September 2025, wherein it clarified that the alleged excess ITC was due to reporting and reconciliation differences rather than any actual wrongful availment. However, the Company voluntarily discharged a small portion of the disputed amount through Form GST DRC-03 dated 27 September 2025, amounting to INR 1,73,468 (including tax, interest, and penalty), and requested the proceedings to be dropped.</p>	The GST Department is yet to adjudicate on the matter.

GOVERNMENT AND OTHER APPROVALS

BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

S. No.	Authorization granted	Issuing authority	Registration No./reference no./license no.	Date of issue	Valid upto
26	License to Manufacture under the Drugs and Cosmetics act 1940	State Licensing Authority, Directorate of Ayush Haryana.	1373-ISM-(HR)	January 16, 2023	Valid until cancellation

Notes:

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SECTION XI - DECLARATION

I, hereby declare that, all the relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Directors of our Company				
S.N.	Name	Category	Designation	Signature
1.	Puneet Dhawan	Executive	Managing Director	Sd/-
2.	Sanchit Hans	Executive	Whole time Director	Sd/-
3.	Tanya Dhawan	Non-Executive	Director	Sd/-
4.	Vandana Gupta	Non-Executive	Independent Director	Sd/-
5.	Laxmi	Non-Executive	Independent Director	Sd/-
Signed by the “Chief Financial Officer” and “Company Secretary & Compliance Officer” of our Company				
6.	Avtar Singh Rana	Full-time	Chief Financial Officer	Sd/-
7.	Pooja Garg	Full-time	Company Secretary and Compliance officer	Sd/-

Place: Delhi

Date: December 29, 2025