DRAFT RED HERRING PROSPECTUS
Dated September 27, 2021
(Please read Section 32 of the Companies Act, 2013)
Book Built Offer

SAHAJANAND MEDICAL TECHNOLOGIES LIMITED

Our Company was initially formed as a partnership firm named 'M/s Sahajanand Vacular Technoventions' pursuant to a partnership deed dated on October 25, 1999. Subsequently, pursuant to a partnership deed dated September 30, 2001, the partnership firm was re-constituted, and the name of the partnership firm was changed to 'M/s Sahajanand Medical Technologies'. Subsequently, the partnership firm was converted into a joint stock company and was registered as a private limited company named 'Sahajanand Medical Technologies Private Limited' pursuant to a certificate of incorporation dated October 18, 2001, issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli, in accordance with provisions of the Companies Act, 1956. Subsequently, our Company was converted into a public limited company, pursuant to a special resolution of our Shareholders dated April 27, 2021, and the name of our Company was changed to 'Sahajanand Medical Technologies Limited', and a fresh certificate of incorporation dated May 7, 2021 was issued to our Company by the Registrar of Companies, Gujarat at Ahmedabad ("**RoC**"). For details of changes in the name and registered office address of our Company, see '*History and Certain Corporate Matters*' on page 185.

Registered Office: Sahajanand Estate, Wakharia Wadi, NR. Dabholi Char Rasta, Nani Ved, Ved Road, Surat, Gujarat – 395 004, India
Corporate Office: 221, C – Wing, Kanakia Atrium, Andheri – Kurla Road, AAI Colony, J B Nagar, Andheri East, Mumbai, Maharashtra – 400 059
Contact Person: Flora Das, Company Secretary and Compliance Officer for the Offer; **Tel.**: +91 261 6112800
E-mail: investors@smt.in; **Website**: www.smtpl.com; **Corporate Identity Number:** U33119GJ2001PLC040121

PROMOTERS OF OUR COMPANY: BHARGAV DHIRAJLAL KOTADIA AND SHREE HARI TRUST

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH ("EQUITY SHARES") OF SAHAJANAND MEDICAL TECHNOLOGIES LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ 15,000 MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 4,103.30 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UPTO [●] EQUITY SHARES (THE "OFFERED SHARES") AGGREGATING UP TO ₹ 10,896. 70 MILLION (THE "OFFER FOR SALE"), COMPRISING OF UP TO [●] EQUITY SHARES AGGREGATING TO ₹ 1,000 MILLION BY DHIRAJKUMAR S. VASOYA, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 337.50 MILLION BY SHREE HARI TRUST (ACTING THROUGH ITS TRUSTEE), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 6,355.60 MILLION BY SAMARA CAPITAL MARKETS HOLDING LIMITED AND UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 3,203.60 MILLION BY NHPEA SPARKLE HOLDING B.V. (COLLECTIVELY, THE "SELLING SHAREHOLDERS"), (THE "OFFER FOR SALE, AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER WILL CONSTITUTE [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, IS CONSIDERING A PRE-IPO PLACEMENT OF SUCH NUMBER OF EQUITY SHARES FOR CASH CONSIDERATION AGGREGATING UP TO ₹ 1,850 MILLION, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE FRESH ISSUE SIZE WILL BE REDUCED TO THE EXTENT OF SUCH PRE-IPO PLACEMENT, SUBJECT TO COMPLIANCE WITH THE MINIMUM OFFER SIZE EQUIREMENTS PRESCRIBED UNDER REGULATION 19(2)(B) OF THE SCRR.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 1. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMs AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER [●], ALL EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER [●], AND THE [●] EDITION OF THE GUJARATI DAILY NEWSPAPER [●] (GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT WHEREIN THE REGISTERED OFFICE OF OUR COMPANY IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank, as required under the SEBI ICDR Regulations.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**") read with Regulation 31 of SEBI ICDR Regulations. This Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"), provided that our Company and the Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, the Bid Amounts received by our Company shall be refunded. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non- Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All potential Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective bank accounts (including UPI IDs in case of RIBs using UPI Mechanism) which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or through the UPI Mechanism, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA Process. For details, see "*Offer Procedure*" beginning on page 340.

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 1. The Offer Price/Floor Price/Cap Price should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 22.

COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 372.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER
AXIS CAPITAL	BofA SECURITIES	Edelweiss Ideas create, values protect	UBS	LINKIntime
AXIS CAPITAL LIMITED 1st floor, Axis House C-2 Wadia International Centre P.B. Marg, Worli Mumbai 400 025 **Tel.:** +91 22 4325 2183 **E-mail**: smt.ipo@axiscap.in **Investor Grievance ID:** complaint@axiscap.in **Website:** www.axiscapital.co.in **Contact Person:** Pratik Pednekar/ Akash Aggarwal **SEBI Registration Number:** INM000012029	**BofA SECURITIES INDIA LIMITED** Ground Floor, "A" Wing One BKC, "G" Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051 **Tel:** +91 22 6632 8000 **E-mail:** dg.smt_ipo@bofa.com **Investor Grievance ID:** dg.india_merchantbanking@bofa.com **Website:** www.ml-india.com **Contact Person:** Sweta Birdika **SEBI Registration Number:** INM000011625	**EDELWEISS FINANCIAL SERVICES LIMITED** 6th Floor, Edelweiss House Off C.S.T. Road, Kalina, Mumbai 400 098, Maharashtra, India **Tel:** +91 22 4009 4400 **E-mail:** smt.ipo@edelweissfin.com **Investor Grievance ID:** customerservice.mb@edelweiss.in **Website:** www.edelweissfin.com **Contact Person:** Lokesh Shah **SEBI Registration Number:** INM0000010650	**UBS SECURITIES INDIA PRIVATE LIMITED** 2/F, 2 North Avenue, Maker Maxity Bandra-Kurla Complex, Bandra (East) Mumbai – 400 051, India **Tel:** +91 22 6155 6000 **E-mail:** ol-smtipo@ubs.com **Investor Grievance ID:** igindia@ubs.com **Website:** www.ubs.com/indianoffers **Contact Person:** Aditya Singh **SEBI Registration Number:** INM000010809	**LINK INTIME INDIA PRIVATE LIMITED** C 101, 247 Park, L. B. S. Marg Vikhroli (West) Mumbai 400 083 **Tel**: +91 22 4918 6200 **E-mail**: smt.ipo@linkintime.co.in **Investor grievance e-mail**: smt.ipo@linkintime.co.in **Website**: www.linkintime.co.in **Contact person**: Shanti Gopalkrishnan **SEBI Registration Number**: INR000004058

BID/OFFER PROGRAMME

BID/ OFFER OPENS ON: *	[●]
BID/ OFFER CLOSES ON: **	[●]

* *Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*
** *Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended.

General Terms

Term	Description
"the Company", "our Company", or "the Issuer"	Sahajanand Medical Technologies Limited, a public limited company incorporated under the Companies Act, 1956, and having its Registered Office at Sahajanand Estate, Wakharia Wadi, NR. Dabholi Char Rasta, Nani Ved, Ved Road, Surat, Gujarat - 395 004, India.
"we", "our" or "us"	Unless the context otherwise indicates or implies, our Company and our Subsidiaries as applicable, as at and during the relevant period / Fiscal/ Financial Year.

Company Related Terms

Term	Description
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended.
Audit Committee	The audit committee of our Board, as described in "*Our Management*" on page 196.
"Auditors" or "Statutory Auditors"	The current statutory auditors of our Company, namely, Deloitte Haskins & Sells LLP Chartered Accountants.
"Board" or "Board of Directors"	The board of directors of our Company.
CSR Committee	The corporate social responsibility committee of our Board, as described in "*Our Management*" on page 196.
Corporate Office	The corporate office of our Company located at 221, C – Wing, Kanakia Atrium, Andheri – Kurla Road, AAI Colony, J B Nagar, Andheri East, Mumbai, Maharashtra – 400 059.
Director(s)	The director(s) on our Board.
Equity Shares	The equity shares of our Company of face value of ₹ 1 each.
ESOP 2021	SMT Employee Stock Option Plan 2021.
F&S or Frost & Sullivan	Frost and Sullivan (India) Private Limited.
F&S Report	Industry report titled "*Independent Market Report on Vascular Devices Market in Select Geographies*" dated August 20, 2021, prepared and issued by F&S pursuant to an engagement with our Company.
Group Companies	The group companies of our Company in terms of the SEBI ICDR Regulations and described in "*Our Group Companies*" on page 215.
Independent Director(s)	Independent Director(s) on our Board.
IPO Committee	The committee constituted by our Board for the Offer.
Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in "*Our Management*" on page 196.
Managing Director	Bhargav Dhirajlal Kotadia, the managing director of our Company. For details see "*Our Management*" on page 196.
Material Subsidiaries	Collectively, Vascular Concepts Limited, Vascular Innovations Co. Ltd., SMT Ireland and SMT Importadora e Distribuidora de Produtos Hospitalares Ltda.
"Memorandum" or "Memorandum of Association" or "MoA"	The memorandum of association of our Company, as amended from time to time.
Non-executive Director(s)	Non-executive Director(s) on our Board. For details see "*Our Management*" on page 196.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in "*Our Management*" on page 196.
Promoter(s)	The promoters of our Company, namely, Bhargav Dhirajlal Kotadia and Shree Hari Trust.
Promoter Group	The individuals and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations. For details, see "*Our Promoters and Promoter Group*" on page 212.
Registered Office	Sahajanand Estate, Wakharia Wadi, NR. Dabholi Char Rasta, Nani Ved, Ved Road, Surat, Gujarat - 395 004, India.

Term	Description
Promoter Selling Shareholder	Shree Hari Trust.
"Registrar of Companies" or "RoC"	The Registrar of Companies, Gujarat, located at Ahmedabad.
Restated Consolidated Financial Information	Restated consolidated financial information of our Company and its subsidiaries (collectively referred to as Group) comprises of the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2021, 31 March 2020 and 31 March 2019, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 and the Summary of Significant Accounting Policies and explanatory notes, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
Selling Shareholders	Collectively, Dhirajkumar S. Vasoya, Shree Hari Trust (acting through its trustee), Samara Capital Markets Holding Limited and NHPEA Sparkle Holding B.V.
SHA	Shareholders' agreement dated December 19, 2017 read with the deed of adherence dated February 23, 2021 entered into amongst NHPEA Sparkle Holding B.V., Samara Capital Markets Holding Limited, Sharada Kotadia, Dhirajlal Vallabhbhai Kotadia, Bhargav Dhirajlal Kotadia, Dhirajkumar S. Vasoya, Naynaben D. Vasoya, Shree Hari Trust and our Company.
SHA Amendment Agreement	Amendment dated September 16, 2021 to the SHA.
Shareholders	The holders of the Equity Shares of our Company from time to time.
SMT ESOP Trust	A trust, settled by our Company, which has been entrusted with the administration of ESOP 2021.
SMT Ireland	Sahajanand Medical Technologies Ireland Limited.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board as described in "*Our Management*" on page 196.
Subsidiaries	The direct and indirect subsidiaries of our Company being SMT Cardiovascular Private Limited, Sahajanand Medical Technologies Ireland Limited, SMT Germany Gmbh, SMT Switzerland AG, SMT Polonia, SMT CIS LLC, Sahajanand Medical Technologies Iberia SL, SMT Importadora E Distribuidora De Produtos Hospitalares Ltd., SMT France SAS, Vascular Concepts Limited, Vascular Innovations Co. Ltd. and SMT USA Ltd.

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary (ies) to the Bidder as proof of registration of the Bid cum Application Form.
'Allot' or 'Allotment' or 'Allotted'	Allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	Advice or intimation of Allotment sent to the Bidders who have bid in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom an Allotment is made.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Selling Shareholders in consultation with the BRLMs.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/ Offer Period or Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Selling

Term	Description
	Shareholders in consultation with the BRLMs.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholders in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
'ASBA' or 'Application Supported by Blocked Amount'	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI Mechanism.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Bid Amount of the Bidder/Applicant.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidder(s)	Any Bidder (other than an Anchor Investor) in the Offer who intends to submit a Bid.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Axis	Axis Capital Limited
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in "*Offer Procedure*" on page 340.
Bid(s)	An indication by a Bidder (other than an Anchor Investor) to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form, and payable by an Anchor Investor or blocked in the ASBA Account of an ASBA Bidder, as the case may be, upon submission of the Bid in the Offer.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
'Bidder' or 'Applicant'	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*, Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	[●] Equity Shares.
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and the [●] edition of Gujarati daily newspaper [●] (Gujarati being the regional language of Gujarat wherein our Registered Office is located), each with wide circulation and in case of any revision, the extended Bid/Offer Closing Date shall also be notified on the website and terminals of the Members of the Syndicate and communicated to the designated intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations. Our Company and the Selling Shareholders in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and the [●] edition of Gujarati daily newspaper [●] (Gujarati being the

Term	Description
	regional language of Gujarat wherein our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Members of the Syndicate and communicated to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
BofA Securities	BofA Securities India Limited.
Book Building Process	The book building process provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
'Book Running Lead Managers' or 'BRLMs'	The book running lead managers to the Offer, being Axis, BofA Securities, Edelweiss and UBS.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
'CAN' or 'Confirmation of Allocation Note'	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted.
Cash Escrow and Sponsor Bank Agreement	The agreement dated [●] amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s), the Public Offer Account Bank(s), the Sponsor Bank, and the Refund Bank(s) for among other things, collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
'CDP' or 'Collecting Depository Participant'	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Compliance Officer for the Offer	Compliance officer for the Offer in terms of the SEBI ICDR Regulations.
Cut-Off Price	Offer Price, which shall be any price within the Price Band, finalised by our Company and the Selling Shareholders in consultation with the BRLMs. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfers funds from the Escrow Account, and funds blocked by the SCSBs and Sponsor Bank are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Red Herring Prospectus following which the Equity Shares will be Allotted in the Offer.
Designated Intermediary(ies)	Collectively, the Syndicate, Sub-Syndicate Members/ agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders in the Offer.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35,

Term	Description
	updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated September 27, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer.
Edelweiss	Edelweiss Financial Services Limited.
Eligible NRI	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to, or purchase the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.
Escrow Collection Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Escrow Account(s) will be opened, in this case being [●].
First or sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted.
Fresh Issue	The issue of up to [●] Equity Shares aggregating up to ₹ 4,103.30 million by our Company. Our Company may, in consultation with the BRLMs, consider a Pre-IPO Placement of such number of Equity Shares for cash consideration aggregating up to ₹ 1,850 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is undertaken, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement subject to compliance with the minimum offer size requirements prescribed under Regulation 19(2)(b) of the SCRR.
General Information Document or GID	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to, among others, the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 issued by SEBI.
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
Materiality Policy	Policy for identification of group companies, material outstanding civil legal proceedings initiated by or against our Company, our Subsidiaries, our Promoters and our Directors and material creditors of the Company, pursuant to the disclosure requirements under SEBI ICDR Regulations, as adopted by the Board through its resolution dated September 16, 2021.
Mutual Fund Portion	[●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Non-Institutional Bidders	Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000.
Non-Institutional Portion	Not less than [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
'Non-Resident' or 'NR'	A person resident outside India, as defined under FEMA and includes FPIs, VCFs, FVCIs and NRIs.
Offer	The initial public offering of the Equity Shares of our Company by way of the Fresh Issue and the Offer for Sale.
Offer Agreement	The agreement dated September 27, 2021 among our Company, the Selling Shareholders, the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.

Term	Description
Offer for Sale	The offer for sale of up to [●] Equity Shares aggregating up to ₹ 10,896.70 million by the Selling Shareholders.
Offer Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus.
Offered Shares	Equity Shares being offered for sale by the Selling Shareholders in the Offer.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders.
Pre-IPO Placement	A further issue of such number of Equity Shares for cash consideration aggregating up to ₹1,850 million which may be undertaken by our Company, in consultation with the BRLMs, at its discretion in favour of such investors as permissible under applicable laws, to be completed prior to filing the Red Herring Prospectus with the RoC and the details of which, if completed, will be included in the Red Herring Prospectus. If the Pre-IPO Placement is undertaken, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to compliance with the minimum offer size requirements prescribed under Regulation 19(2)(b) of the SCRR.
Price Band	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price of ₹ [●] per Equity Share, including any revisions thereof. The Price Band and minimum Bid Lot, as decided by our Company and the Selling Shareholders, in consultation with the BRLMs will be advertised in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and [●] edition of the Gujarati daily newspaper [●] (Gujarati being the regional language of Gujarat wherein our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company and Selling Shareholders in consultation with the BRLMs, finalise the Offer Price.
Prospectus	The Prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	The bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account(s) will be opened, in this case being [●].
'QIBs' or 'Qualified Institutional Buyers'	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Bidders	QIBs who Bid in the Offer.
QIB Portion	The portion of this Offer being not less than 75% of the Net Offer, being not less than [●] Equity Shares, which shall be available for allocation to QIBs (including Anchor Investors) on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
QIB Bid/ Offer Closing Date	In the event our Company and the Selling Shareholders in consultation with the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/Offer Closing Date, the date one day prior to the Bid/Offer Closing Date; otherwise it shall be the same as the Bid/Offer Closing Date.
'Red Herring Prospectus' or 'RHP'	The Red Herring Prospectus dated [●] to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank	The Banker to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registrar Agreement	The agreement dated September 27, 2021, entered into between our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.

Term	Description
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.
'Registrar to the Offer' or 'Registrar'	Link Intime India Private Limited.
Regulation S	Regulation S under the U.S. Securities Act.
'RTAs' or 'Registrar and Share Transfer Agents'	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Resident Indian	A person resident in India, as defined under FEMA.
'Retail Individual Bidder(s)' or 'Retail Individual Investor(s)' or 'RII(s)' or 'RIB(s)'	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs).
Retail Portion	The portion of the Offer, being not more than 10% of the Net Offer being not more than [●] Equity Shares, available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.
'Self Certified Syndicate Bank(s)' or 'SCSB(s)'	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or such other websites and updated from time to time.
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely [●].
Share Escrow Agreement	The agreement dated [●] between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders.
Sponsor Bank	Bank registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being [●].
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated [●] between our Company, the Registrar to the Offer, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to the procurement of Bid cum Application Forms by the Syndicate.
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, namely, [●].
'Syndicate' or 'Members of the Syndicate'	The BRLMs and the Syndicate Members.
UBS	UBS Securities India Private Limited.
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] between the Underwriters, our Company and the Selling Shareholders, entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC.
UPI Circulars	Collectively, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or

Term	Description
	notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by an RII to make a Bid in the Offer in accordance with UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression "Working Day" shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI.

Technical/ Industry Related Terms/ Abbreviations

Term	Description
Adjusted EBITDA	Earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance costs, depreciation and amortization expense, exceptional items and total tax expense to the Restated Profit/(loss) after tax for the year.
CABG	Coronary Artery Bypass Graft Surgery
Cathlabs	Catheterization laboratories
CCI Journal	Catheterization and Cardiovascular Interventions journal
DES	Drug eluting stent
DCB	Drug coated balloon
EU MDR	Medical Device Regulation applicable in the European Union
IDE	Investigational device exemption
KOL	Key opinion leader
LAA	Left atrial appendage
NPPA	National Pharmaceutical Pricing Authority
NLEM	National List of Essential Medicines
OCT	Optical coherence tomography
PCI	Percutaneous Coronary Intervention
PMA	Pre-marketing approval
PTCA	Percutaneous transluminal coronary angioplasty
SAVR	Surgical Aortic Valve Replacement
SFA	Superficial femoral artery
TAVI	Transcatheter aortic valve implants
TAVR	Transcatheter aortic valve replacement
USFDA	United States Food and Drug Administration
WHO	World Health Organization

Conventional and General Terms or Abbreviations

Term	Description
'Mn' or 'mn'	Million.
AGM	Annual General Meeting.
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
BSE	BSE Limited.
Category II FPI	FPIs registered as "Category II foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identity Number.
CIT	Commissioner of Income Tax.
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable.

Term	Description
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force.
Competition Act	Competition Act, 2002
Contract Labour Act	The Contract Labour (Regulation and Abolition) Act, 1970.
CSR	Corporate Social Responsibility.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, read with regulations framed thereunder.
DIN	Director Identification Number.
DP ID	Depository Participant's Identity Number.
DP or Depository Participant	A depository participant as defined under the Depositories Act.
EGM	Extraordinary General Meeting.
Employees Provident Fund Act	Employees Provident Funds and Miscellaneous Provisions Act, 1952.
EPS	Earnings Per Share.
FAQs	Frequently asked questions.
FCNR	Foreign currency non-resident account.
FDI	Foreign Direct Investment.
FDI Circular	The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instrument) Rules, 2019.
'Financial Year' or 'Fiscal' or 'Fiscal Year' or 'FY'	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
GDP	Gross domestic product.
GoI or Government or Central Government	The Government of India.
GST	Goods and services tax.
HUF	Hindu undivided family.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards of the International Accounting Standards Board.
Income Tax Act	Income- Tax Act, 1961, read with the rules framed thereunder.
Income Tax Rules	Income- Tax Rules, 1962.
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.
Indian GAAP	Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
IPO	Initial public offering.
IST	Indian Standard Time.
MBA	Master's degree in business administration.
MCA	Ministry of Corporate Affairs, Government of India.
N.A.	Not applicable.
NAV	Net asset value.
NEFT	National Electronic Fund Transfer.
NRE Account	Non-Resident External account.
NRI	A person resident outside India, who is a citizen of India or an overseas citizen of India cardholder within the meaning of section 7(A) of the Citizenship Act, 1955.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.

Term	Description
'OCB' or 'Overseas Corporate Body'	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
p.a.	Per annum.
P/E Ratio	Price/earnings ratio.
PAN	Permanent account number.
PAT	Profit after tax.
RBI	Reserve Bank of India.
RTGS	Real time gross settlement.
R&D	Research and development
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
SEBI SBEB and Sweat Equity Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
State Government	The government of a state in India.
Stock Exchanges	Collectively, the BSE and NSE.
STT	Securities transaction tax.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
TAN	Tax deduction account number.
TDS	Tax deducted at source.
U.S./United States	The United States of America, together with its territories and possessions, any state of the United States of America and the District of Columbia.
U.S. GAAP	Generally accepted accounting principles of the United States of America.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
VAT	Value added tax.
VCFs	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations.
Year/ Calendar Year	The 12 month period ending December 31.

Words and expressions used but not defined herein shall have the same meaning as is assigned to such terms in the SEBI ICDR Regulations, the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, capitalised terms in "*Our Business*", "*Industry Overview*", "*Risk Factors*", "*Key Regulations and Policies*", "*Statement of Tax Benefits*", "*Financial Information – Restated Consolidated Financial Information*", "*Basis for Offer Price*", "*Outstanding Litigation and Material Developments*", "*Offer Procedure*" and "*Main Provision of the Articles of Association*" on pages 156, 119, 22, 179, 100, 219, 97, 314, 340 and 358 respectively, shall have the meaning as ascribed to such terms in such sections.

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

Certain Conventions

In this Draft Red Herring Prospectus:

- all references to India are to the Republic of India;
- all references to the "US", "U.S.", "USA" or "United States" are to the United States of America and its territories and possessions;
- all references to "Brazil" are to the Federative Republic of Brazil;
- all references to "Thailand" are to the Kingdom of Thailand;
- all references to "Ireland" are to the Republic of Ireland;
- all references to "Poland" are to the Republic of Poland;
- all references to "Germany" are to the Federal Republic of Germany;
- all references to "Switzerland" are to the Swiss Confederation;
- all references to "Russia" are to the Russian Federation;
- all references to "Spain" are to the Kingdom of Spain; and
- all references to "France" are to the French Republic.

Page Numbers

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

Currency and Units of Presentation

In this Draft Red Herring Prospectus:

- all references to *"Rupee(s)"*, *"Rs."* or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India;
- all references to *"US$"* or *"USD"* or *"U.S. Dollars"* are to United States Dollars, the official currency of the United States of America;
- all references to "EUR" or "€" are to Euros, the official currency of the European Union;
- all references to "฿" are to Thai Bahts, the official currency of Thailand;
- all references to "R$" are to Brazilian Reals, the official currency of Brazil;
- all references to "PLN" are to Zlotys, the official currency of Poland;
- all references to "rouble" or "ruble" are to Russian Rubles, the official currency of the Russian Federation; and
- all references to "CHf" are to Francs, the official currency of Switzerland.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

(*in ₹*)

Currency	Exchange rate as on[#]		
	March 31, 2021	March 31, 2020	March 31, 2019
1 US$	73.19	75.66	69.18
1 EUR	85.81	82.90	77.72
1 ฿	2.34	2.31	2.18
1 R$	12.73	14.54	17.72
1 PLN	18.45	18.22	18.07
1 ruble	0.97	0.96	1.07
1 CHf	77.52	78.32	69.51

Source: https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/index.en.html.
[#]On instances where the given day is a holiday, the exchange rate from the previous working day has been considered.

Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated above or at all.

Time

Unless otherwise specified, all references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

Financial and Other Data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Consolidated Financial Information. The Restated Consolidated Financial Information of our Company and its subsidiaries (collectively referred to as Group) comprises of the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2021, 31 March 2020 and 31 March 2019, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 and the Summary of Significant Accounting Policies and explanatory notes, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

Our Company's fiscal year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular fiscal year (referred to herein as "**Fiscal**", "**Fiscal Year**" or "**FY**") are to the 12 months period ended March 31 of that particular year, unless otherwise specified.

All the figures in this Draft Red Herring Prospectus, except for figures derived from the F&S Report (which are in crores), have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject

to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. Except for figures derived from our Restated Consolidated Financial Information (which are rounded off to the second decimal), all figures in decimals have been rounded off to the second decimal. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 22, 156 and 279, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from the Restated Consolidated Financial Information.

Non- GAAP Financial Measures

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Adjusted EBITDA, Adjusted EBITDA margin, net worth attributable to the owners of the company, return on net worth attributable to the owners of the company, Net Asset Value per Equity Share, debt equity ratio, and certain other statistical information relating to our operations and financial performance that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS (together, "**Non-GAAP Measures**"). These Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.. See also "*Management's Discussion and Analysis of Financial Condition and Results of Operation – Non-GAAP Measures*" on page 304.

Industry and Market Data

The industry and market data set forth in this Draft Red Herring Prospectus have been obtained or derived from publicly available information as well as industry publications and sources (including the F&S Report). Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 22.

In accordance with the SEBI ICDR Regulations, the section "*Basis for the Offer Price*" on page 97 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we nor the BRLMs or any of their affiliates have independently verified such information. Accordingly, no investment decision should be made solely on the basis of such information.

This Draft Red Herring Prospectus contains certain industry and market data and statements obtained from the

F&S Report. The F&S Report has been commissioned by and paid for by our Company. The F&S Report is subject to the disclaimer mentioned below. F&S was engaged by our Company in May 2021. F&S has, through its letter dated September 23, 2021 ("**Letter**") accorded its consent to use the F&S Report in this Draft Red Herring Prospectus. F&S has also confirmed in the Letter that it is an independent agency, and that it is not related to our Company, our Directors, or our Promoters.

F&S Disclaimer

"*Independent Market report on Vascular Devices in Select Geographies" (Name of the report) has been prepared for the proposed initial public offering of equity shares by Sahajanand Medical Technologies Limited (the "Company").*

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

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive.

The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

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

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

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "can", "could" "goal", "expect", "estimate", "intend", "objective", "plan", "project", "should" "will", "will continue", "shall" "seek to", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company and Subsidiaries have businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes and changes in competition in our industry. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- The continuing impact of the COVID-19 pandemic on our business and operations.
- The regulatory environment in which we operate in.
- Our ability to effectively manage the operations of and costs associated with our manufacturing facilities.
- Our ability to implement our business strategies, or sustain and manage our growth.
- Exchange rate fluctuations.
- Timely setting up of our integrated manufacturing facility and R&D centre in Hyderabad.
- Our ability to expand and effectively manage our distribution network.
- Competition and rapid technological changes in the medical devices industry.
- Our ability to enforce our intellectual property rights throughout the world.
- Our R&D capabilities, ability to develop and commercialize new products and enhance existing products.

For a discussion of factors that could cause our actual results to differ from our expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 22, 156 and 279, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect our views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on the currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, Directors, the Selling Shareholders, and the BRLMs or their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements, our Company will ensure that investors in India are informed of material developments from the date of filing of the Red Herring Prospectus until the date of Allotment. The Selling Shareholders will ensure that investors are informed of material developments in relation to the statements and undertakings expressly made by the Selling Shareholders in the Red Herring Prospectus until the date of Allotment.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "Risk Factors", "Our Business", "Industry Overview", "Capital Structure", "The Offer", "Outstanding Litigation and Material Developments" and "Main Provisions of the Articles of Association" beginning on at pages 22, 156, 119, 74, 64, 314 and 358 respectively of this Draft Red Herring Prospectus.

Primary business of our Company

We are a leading medical devices company that researches, designs, develops, manufactures and markets vascular devices globally. We differentiate our product offering by providing customers with high quality products at market appropriate prices supported by strong clinical data. We have a leading market share of 21%, 25% and 31% in Fiscals 2019, 2020 and 2021, respectively, of the total DES sales volume in India. We are among the top five companies in terms of market share (by sales volume of DES) in each of Germany, Netherlands, Italy and Poland, as of March 31, 2021 (*Source: Frost & Sullivan*).

Industry in which our Company operates

Global prevalence of cardiovascular diseases almost doubled from 271 million in 1990 to 523 million in 2019. Growing disease prevalence combined with heightened awareness, diagnosis and treatment, has triggered the growth of the global vascular device market, which is expected to reach USD 23.0 billion by 2026. The global vascular devices market can be segmented into interventional cardiology, structural heart and peripheral vascular on the basis of therapy areas. (*Source: Frost & Sullivan*) We offer products that are used in each of these three segment.

Promoters

Our Promoters are Bhargav Dhirajlal Kotadia and Shree Hari Trust.

Offer Size

Offer[(1)(2)(3)]	Up to [●] Equity Shares, aggregating up to ₹ 15,000 million
of which	
Fresh Issue[(1)]	Up to [●] Equity Shares, aggregating up to ₹ 4,103.30 million
Offer for Sale[(3)]	Up to [●] Equity Shares, aggregating up to ₹ 10,896.70 million by the Selling Shareholders

[(1)] Our Board has authorised the Offer, pursuant to a resolution dated September 16, 2021. Our Shareholders have authorised the Offer pursuant to a special resolution dated September 18, 2021.

[(2)] Our Company may, in consultation with the BRLMs, consider a Pre-IPO Placement of such number of Equity Shares for cash consideration aggregating up to ₹ 1,850 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is undertaken, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement subject to compliance with the minimum offer size requirements prescribed under Regulation 19(2)(b) of the SCRR.

[(3)] The Selling Shareholders have consented to participate in the Offer for Sale. Each Selling Shareholder confirms that the Equity Shares being offered by it in the Offer for Sale have been held by it for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus with the SEBI and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" beginning on page 321.

Objects of the Offer

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount* (In ₹ million)
Repayment/ prepayment of certain indebtedness availed by our Company and our Subsidiaries	2,550
Funding the working capital requirements of our indirect foreign subsidiary, Vascular Innovations Co. Ltd.	403

Particulars	Amount* (In ₹ million)
General corporate purposes(1)	[●]
Net Proceeds	[●]

**Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement, we will utilise the proceeds from such Pre-IPO Placement towards the Objects of the Offer prior to completion of the Offer.*

(1) To be determined on finalisation of the Offer Price and updated in the Prospectus. The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.

Pre-Offer Shareholding of Promoters, Promoter Group and Selling Shareholders

a) The aggregate pre-Offer shareholding of Promoters and Promoter Group as on the date of this Draft Red Herring Prospectus is set forth below.

S. No.	Category of Shareholders	No. of Equity Shares	% of total paid up Equity Share capital
	Promoters		
1.	Bhargav Dhirajlal Kotadia	5,000	Negligible*
2.	Shree Hari Trust	31,443,581	35.37%
	Total (A)	**31,448,581**	**35.37%**
	Promoter Group		
3.	Sharada Dhirajlal Kotadia	3,750,000	4.22%
4.	Dhirajkumar S. Vasoya	4,082,700	4.59%
5.	Naynaben D. Vasoya	632,000	0.71%
6.	Sahajanand Technologies Private Limited	64,000	0.07%
	Total (B)	**8,528,700**	**9.59%**
	Total (A+B)	**39,977,281**	**44.97%**

**Less than 0.01%*

b) The aggregate pre-Offer shareholding of the Selling Shareholders as on the date of this Draft Red Herring Prospectus is set forth below.

S. No.	Category of Shareholders	No. of Equity Shares	% of total paid up Equity Share capital
1.	Dhirajkumar S. Vasoya	4,082,700	4.59
2.	Shree Hari Trust	31,443,581	35.37
3.	Samara Capital Markets Holding Limited	32,530,259	36.59
4.	NHPEA Sparkle Holding B.V.	16,396,803	18.44
	Total (A+B+C)	**84,453,343**	**94.99**

Summary of Financial Information

(in ₹ million except per share data)

Particulars	As on March 31, 2021/ For the year ended March 31, 2021	As on March 31, 2020/ For the year ended March 31, 2020	As on March 31, 2019/ For the year ended March 31, 2019
Equity share capital	88.90	88.90	88.90
Other equity	3,246.77	4,090.25	3,800.81
Total Equity	3,464.96	4,326.10	3,889.71
Revenue from operations	5,885.21	4,799.09	3,261.15
Restated Profit/ (loss) after tax	(723.38)	254.35	334.30
Earnings per share (Basic)	(8.13)	2.76	4.00
Earnings per share (Diluted)	(8.13)	2.69	3.67
Net asset value per Equity Share*	38.62	46.64	46.63
Total borrowings^	3,251.04	872.13	696.38

**Net assets value per Equity Share: Net worth attributable to the owners of the company / Weighted average number of equity shares outstanding during the year.*

^'Total borrowings' is calculated as borrowings under total non-current liabilities, plus borrowings under current liabilities, plus current maturities of long term borrowings.

Qualifications of the Auditors or Adverse Remarks

Our Statutory Auditors have not made any qualifications in their examination report on our Restated Consolidated Financial Information.

See "*Management's Discussion and Analysis of Financial Condition and Results of Operation – Auditor's Observation*" on page 306 for details of an emphasis of matter included by our Statutory Auditors in their report on the Restated Consolidated Financial Information, for Fiscal 2021.

Summary of Outstanding Litigation and Material Developments

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, our Promoters, our Directors, and our Group Companies as disclosed in this Draft Red Herring Prospectus, is provided below:

Type of Proceedings	Number of cases	Amount (₹ in million)*
Cases against our Company		
Criminal proceedings	1#	Nil
Action by regulatory/statutory authorities	1	Nil
Tax proceedings##	9	35.62
Material civil litigation	Nil	Nil
Total	**11**	**35.62**
Cases by our Company		
Criminal proceedings	9	20.85
Tax proceedings	Nil	Nil
Material civil litigation	Nil	Nil
Total	**9**	**20.85**
Cases against our Subsidiaries		
Criminal proceedings	Nil	Nil
Action by regulatory/statutory authorities	Nil	Nil
Tax proceedings	Nil	Nil
Material civil litigation	Nil	Nil
Total	Nil	Nil
Cases by our Subsidiaries		
Criminal proceedings	Nil	Nil
Tax proceedings	1	126.60
Material civil litigation	Nil	Nil
Total	**1**	**126.60**
Cases against our Directors		
Criminal proceedings	1#	Nil
Action by regulatory/statutory authorities	Nil	Nil
Tax proceedings	Nil	Nil
Material civil litigation	Nil	Nil
Total	**1**	**Nil**
Cases by our Directors		
Criminal proceedings	Nil	Nil
Tax proceedings	Nil	Nil
Material civil litigation	Nil	Nil
Total	Nil	Nil
Cases against our Promoters		
Criminal proceedings	1#	Nil
Action by regulatory/statutory authorities	Nil	Nil
Tax proceedings	Nil	Nil
Material civil litigation	Nil	Nil
Disciplinary action including penalty imposed by SEBI or stock exchanges	Nil	Nil
Total	**1**	**Nil**
Cases by our Promoters		
Criminal proceedings	Nil	Nil

Type of Proceedings	Number of cases	Amount (₹ in million)*
Tax proceedings	Nil	Nil
Material civil litigation	Nil	Nil
Total	**Nil**	**Nil**
Cases against our Group Companies that may have a material impact on the Company		
Outstanding litigation that may have a material impact on our Company	Nil	Nil
Total	**22**	**183.07**

**Amount to the extent quantifiable*

#A criminal case has been initiated against our Company, Bhargav Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Abhishek Rajendrakumar Kabra and others. For details, see "Legal and Other Information – Outstanding Litigation and Material Development – Litigation involving our Company – Criminal proceedings initiated against our Company" on page 314.

Please also see "Financial Information – Restated Consolidated Financial Information – Note 28: Contingent Liabilities and Commitments" on page 249.

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" beginning on page 314.

Risk Factors

For the details of the risks applicable to us, please see "*Risk Factors*" beginning on page 22.

Contingent liabilities

As of March 31, 2021, contingent liabilities as per Ind AS 37 as indicated in our Restated Consolidated Financial Information are as follows:

(in ₹ million)

Particulars	As at March 31, 2021
Claims against the Group not acknowledged as debt	
- Income Tax Matters	149.57
- Commercial Matters	2.69
- Bank Guarantee	3.83

***Note**: Our Company received summons from the GST Authorities and based on the information provided by them for certain vendors who had not deposited the GST taxes to the Authorities for the services rendered to our Company. Accordingly, our Company has paid and provided for ₹46.95 million of GST (as Exceptional Items), interest of ₹13.78 million (classified under Finance Costs) and penalty of ₹7.04 million (classified under Other Expenses) in relation to the same. We do not expect any further outflow of resources with respect to this matter.*

For further details of contingent liabilities as per Ind AS 37 as on March 31, 2021, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Outstanding Litigation and Material Developments*" and "*Financial Information – Restated Consolidated Financial Information*" beginning on pages 279, 314 and 219, respectively.

Summary of Related Party Transactions

(₹ in million)

Transactions with related parties (post elimination)	For the Year ended 31 March, 2021	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Purchase of Stores and Spares			
STPL Enterprise, India	-	-	-*
Purchase of Capital Goods			
Sahajanand Technologies Private Limited, India	3.71	23.69	25.57
Sahajanand Life Sciences Private Limited, India	-	0.38	-
Other Expenses			
Sahajanand Technologies Private Limited, India	0.57	0.51	0.89
Sahajanand Life Sciences Private Limited, India	0.34	0.05	0.04
Mr. Dhirajkumar Vasoya	5.66	2.83	-
Mr. Dhirajlal Kotadia	8.45	12.97	10.91
Reimbursement of expenses (claimed on related party)			
Sahajanand Technologies Private Limited, India	2.36	4.40	4.72

Transactions with related parties (post elimination)	For the Year ended 31 March, 2021	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Sahajanand Life Sciences Private Limited, India	0.54	0.87	1.29
Reimbursement of expenses (claimed by related party)			
Sahajanand Life Sciences Private Limited, India	-	-	0.04
Sahajanand Technologies Private Limited, India	-	-	1.24
Mr. Bhargav Kotadia	-*	0.15	-
Mr. Dhirajlal Kotadia	-	-	0.57
Mr. Ganesh Sabat	1.53	-	-
Mr. Ashish Agrawal (upto January 31, 2021)	1.77	1.10	2.07
Ms. Flora Das	0.37	0.50	0.37
Remuneration excluding retirement benefits and reimbursements			
Mr. Ganesh Sabat	15.54	39.18	32.43
Mr. Bhargav Kotadia	8.28	15.60	14.40
Mr. Jose Callo	17.71	25.57	-
Mr. Ashish Agrawal (upto January 31, 2021)	3.85	6.97	6.35
Ms. Flora Das	2.01	2.00	1.71

** Amount less than ₹ 0.01 million.*

For details of the related party transactions in accordance with Ind AS 24, see *"Related Party Transactions"* on page 217.

Financing Arrangements

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

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

Except as stated below, our Promoters and the Selling Shareholders have not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

On March 25, 2021, Shree Hari Trust had received 218,150 Equity Shares from Vallabhbhai Kotadia by way of a gift, for which the cost of acquisition is considered to be Nil.

For further details, see "*Capital Structure*" beginning on page 74.

Average Cost of Acquisition of Equity Shares

The average cost of acquisition per Equity Share for our Promoters and the Selling Shareholders, as on the date of this Draft Red Herring Prospectus (calculated using the *first-in-first-out* method) is:

S. No.	Category of Shareholders	Number of Equity Shares held	Percentage of shareholding (%)	Average Cost of Acquisition per Equity Share (in ₹)*
Promoters/ Promoter Selling Shareholder				
1.	Bhargav Dhirajlal Kotadia	5,000	Negligible##	6.00
2.	Shree Hari Trust	31,443,581	35.37	Nil#
Other Selling Shareholders				
3.	Dhirajkumar S. Vasoya	40,82,700	4.59	0.45
4.	Samara Capital Markets Holding Limited	32,530,259	36.59	46.11
5.	NHPEA Sparkle Holding B.V.	16,396,803	18.44	97.58

** As certified by N B T and Co, Chartered Accountants, by way of their certificate dated September 27, 2021.*

 # The average cost of acquisition has been specified as Nil as the Equity Shares were transferred from Vallabhbhai Kotadia to Shree Hari Trust by way of gifts. For details, see "Capital Structure - Build-up of Promoter's shareholding in our Company" on page 77.

Less than 0.01%

For further details, see "*Capital Structure*" beginning on page 74.

Details of Pre-IPO Placement

Our Company, in consultation with the BRLMs, is considering a Pre-IPO Placement of such number of Equity Shares for each consideration aggregating up to ₹ 1,850 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to compliance with the minimum offer size requirements prescribed under regulation 19(2)(b) of the SCRR.

Issue of Equity Shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

Split/ Consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

SECTION II – RISK FACTORS

An investment in our Equity Shares involves a certain degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below and as updated in the Red Herring Prospectus, when available, before making an investment in our Equity Shares pursuant to the Offer. The risks described below are not the only ones relevant to us or our Equity Shares or the industry in which we operate or to India. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, results of operations, financial condition, cash flows and reputation could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 156, 119 and 279, respectively of, as well as the financial, statistical and other information contained in, this Draft Red Herring Prospectus, and as will be updated in the Red Herring Prospectus, when available.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see "Forward-Looking Statements" on page 15.

Unless stated otherwise, industry and market data used in this section have been obtained or derived from publicly available information as well as industry publications and sources such as the Independent Market Report on Vascular Devices Market in Select Geographies dated August 20, 2021, commissioned by our Company and exclusively prepared by Frost & Sullivan for the purposes of confirming our understanding of the industry in connection with the Offer.

Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Sahajanand Medical Technologies Limited on a standalone basis, and references to "the Group", "we", "us", and "our" are to Sahajanand Medical Technologies Limited on a consolidated basis.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares. Unless otherwise indicated or context requires otherwise, the financial information included herein is derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus.

1. The current outbreak of COVID-19 has caused severe disruptions in the Indian and global economy. The continuing impact of the COVID-19 pandemic on our business, operating results, cash flows and/or financial condition is uncertain and cannot be predicted.

In late 2019, COVID-19 began spreading globally. In March 2020, the World Health Organization designated COVID-19 as a pandemic, and numerous countries, including India, declared national emergencies in response to the COVID-19 pandemic. The global impact of the COVID-19 pandemic continues, with many countries instituting quarantines and restrictions on travel, closing financial markets and/or restricting trading, and limiting the operations of non-essential businesses.

In response to the COVID-19 pandemic, the Government of India ("**GoI**") imposed a nationwide 21 day lockdown on March 24, 2020 from March 25, 2020 until April 14, 2020, which was subsequently extended until May 31, 2020. Further, from March 2021, there has been a substantial increase in the number of COVID-19 cases in India, which has led to additional lockdowns and movement restrictions. As a result of the COVID-19 pandemic, we faced labor shortfalls, with employees not being able to go to the factories and offices on a regular basis. We also

incurred additional expenditure as overtime charges for employees to make up for the labor shortfall. In addition, we faced disruptions in the supply of certain raw materials and components, including consumables, oxygen and balloon catheters. For instance, one of our suppliers temporarily shut down operations at its factories for a month due to COVID-19, due to which the supply of raw materials was disrupted temporarily. The prices for these raw materials, components and certain services we depend on also increased. For instance, prices for gloves, sanitzers and oxygen increased during this period and transportation costs also rose. India also faced a medical grade oxygen shortage during March 2021, which also affected our operations to an extent. Our operations were also impacted to the extent that our sales force, who routinely visit physicians in hospitals, were not permitted to do so. In addition, certain of our employees were also infected by COVID-19, which affected the efficiency of certain departments of our Company. In addition to the disruptions to our operations, the pandemic has also resulted in a delay in collections from our distributors and customers. We have adopted precautionary measures, including social distancing, zero-touch interactions and stringent sanitization of our workplaces. Going forward, the GoI may introduce further country-wide or regional lockdowns, quarantines, or social distancing mandates. Compliance with such mandates may disrupt our normal operations and reduce our revenue or increase our health and safety expenses and other costs.

Unfavorable market conditions resulting from the COVID-19 pandemic and responses to it may also continue to affect us. While this did not have a material impact on our operations, there can be no assurance that such an incident will not occur in the future. In addition, there has been a reduction in footfall in in-patient departments of hospitals due to patients deferring elective and non-urgent procedures, and our business, operations and financial performance have been affected as a result. In particular due to a substantial increase in the number of COVID-19 cases in India from March 2021, the number of elective and non-urgent procedures decreased and consequently, our revenues from sale of our products also decreased during the first half of 2021.

We cannot predict the impact that the COVID-19 pandemic will have on our customers, suppliers, vendors and other business partners, and each of their financial conditions. The COVID-19 pandemic has resulted in significant disruption of global financial markets and increased levels of unemployment and economic uncertainty, which may adversely impact our business. Unfavorable market conditions resulting from the COVID-19 pandemic and responses to it may also continue to affect us. These developments may lead to significant negative impacts on customer spending, demand for our products, the ability of our customers to pay, our financial condition and the financial condition of our customers and suppliers, and may also negatively impact our access to external sources of financing to fund our operations, R&D or make capital expenditure. We may also face liquidity challenges should disruptions occur to our supply and distribution channels or if economic hardship for those we do business with results in delays or cancellation of orders or difficulties in collecting on certain accounts receivable. Changes in liquidity or changes in our outlook for the market more generally may affect our investment plans. There can be no assurance that the COVID-19 pandemic and its related effects will not affect our ability to meet our obligations under any existing financial covenants going forward.

The COVID-19 pandemic may also affect our ability to complete our capital expenditure plans. We have faced certain delays due to the COVID-19 pandemic in certain of our key business plans and projects, including: (i) our USFDA trials were delayed by almost one year; (ii) the integration of Vascular Innovations Co. Ltd. ("**Vascular Innovations**") with our Company was also delayed by approximately one year; (iii) our R&D efforts for Hydra improvement projects were delayed by six to nine months; and (iv) we are in the process of setting up an integrated manufacturing facility and R&D centre in Hyderabad, for which, construction was halted, resulting in a delay in completion of the first phase of the facility by over nine months. In addition, the COVID-19 pandemic may also impact other projects, such as clinical trials, which are critical to our business. Any delay, and cost overrun due to such delay, may materially and adversely affect our business, financial condition, cash flows and results of operations.

The duration and extent of the impact from the COVID-19 pandemic depends on future developments that cannot be accurately predicted at this time, such as the future resurgence, severity and transmission rate of the virus, the extent and effectiveness of lockdowns and other containment actions, new vaccines and the timing and scale of their implementation in India and globally, and the impact that these and other factors have on our employees, customers, suppliers and partners. Such uncertainty precludes any prediction as to the ultimate adverse impact that the COVID-19 pandemic will have on economic and market conditions, demand for our products and services, or our business results. The COVID-19 pandemic may have a continuing adverse impact on market conditions in India and result in a period of global economic slowdown more broadly. The COVID-19 pandemic or the outbreak or threatened outbreak of any other severe communicable disease could materially and adversely affect our

business, financial condition, cash flows and results of operations and may also heighten the potential adverse effects other risks described in these "*Risk Factors*" have on the same.

2. We are subject to extensive regulations, which may impede the approval to market our products.

Our products, marketing, sales and development activities and manufacturing processes are subject to extensive and rigorous regulation by regulatory authorities across geographies. In India, we are required to comply with various legislations including the Factories Act, 1948, Drugs and Cosmetics Act, 1940, Drugs and Cosmetics Rules, 1945, the Medical Devices Rules, 2017, the Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, each as amended and applicable in the various states we operate in, and to obtain specific approvals, consents and authorizations from the relevant authorities under such statutes. The process of obtaining marketing approval or clearance for new products, or with respect to enhancements or modifications to existing products, could:

- take a significant period of time;
- require the expenditure of substantial resources;
- involve rigorous pre-clinical and clinical testing, as well as increased post-market surveillance;
- require changes to products; and
- result in limitations on the indicated uses of products.

In addition, devices that we market outside India are subject to the regulatory requirements of each country. In the European Union (EU), we are required to comply with the new Medical Device Regulation ("**EU MDR**") with effect from May 2020. Medical devices which have a valid CE Certificate issued by the EU MDR issued prior to May 2020 can continue to be sold until May 2024 or until the CE Certificate expires, whichever comes first, provided there are no significant changes to the design or intended use. The CE Mark is applied following approval from an independent notified body or declaration of conformity. Some countries do not have medical device regulations, but in most foreign countries, medical devices are regulated. Most countries require that product approvals be renewed or recertified on a regular basis. The renewal or recertification process requires that we evaluate any device changes and any new regulations or standards relevant to the device and conduct appropriate testing to document continued compliance. Where renewal or recertification applications are required, they may need to be renewed and/or approved in order to continue selling our products in those countries. There can be no assurance that we will receive the required approvals for new products or modifications to existing products on a timely basis or that any approval will not be subsequently withdrawn or conditioned upon extensive requirements. We are also in the process of seeking approval in other countries where we intend to market our products and the process for obtaining such approvals may require us to incur significant expenses. For instance, we initiated the process of seeking USFDA approval in Fiscal 2020 and we incurred expenditure of ₹110.13 million and ₹137.48 million in Fiscal 2020 and 2021, respectively in relation to the filing for approval from the United States Food and Drug Administration ("**USFDA**") for Supraflex Cruz. Please also see " – *We need FDA clearance or approval to market our products in the United States, which may be difficult to achieve*." There is no assurance that, despite incurring such expenses, we will be able to obtain the relevant approvals.

Our global regulatory environment is becoming increasingly stringent and unpredictable, which could increase the time, cost and complexity of obtaining regulatory approvals for our products, as well as the clinical and regulatory costs of supporting those approvals. Several countries that did not have regulatory requirements for medical devices have established such requirements in recent years and other countries have expanded on existing regulations. Certain regulators are exhibiting less flexibility and are requiring local preclinical and clinical data in addition to global data prior to providing regulatory approvals for products. For instance, the Drug Controller General of India ("**DCGI**") has mandated post market surveillance phase IV trial on Hydra (Genesis 2), the objective of this study is to assess the continued safety and performance of Hydra (Genesis 2) in the treatment of severe aortic stenosis in certain patients at high surgical risk. All patients will be followed-up for up to six months. We expect the global regulatory environment will continue to evolve, which could impact our ability to obtain future approvals for our products or could increase the cost and time to obtain such approvals in the future.

Regulatory authorities actively monitor compliance with local laws and regulations through review and inspection of design and manufacturing practices, recordkeeping, reporting of adverse events, labeling and promotional practices. Regulatory authorities can ban certain medical devices, detain or seize misbranded medical devices, prevent replacement or refund of these devices and require notification of health professionals and others with

regard to medical devices that present unreasonable risks of substantial harm to the public health. Any adverse regulatory action may restrict us from effectively marketing and selling our products, may limit our ability to obtain future premarket clearances or approvals and could result in a substantial modification to our business practices and operations.

Regulations regarding the development, manufacture and sale of medical devices are evolving and subject to future change. We cannot predict what impact, if any, those changes might have on our business. Failure to comply with regulatory requirements could have a material adverse effect on our business, financial condition and results of operations. Later discovery of previously unknown problems with a product could result in fines, delays or suspensions of regulatory clearances or approvals, seizures or recalls of products, physician advisories or other field actions, operating restrictions and/or civil or criminal prosecution. The failure to receive product approval clearance on a timely basis, suspensions of regulatory clearances, seizures or recalls of products, physician advisories or other field actions, or the withdrawal of product approval by regulatory authorities in India or in foreign countries could have a material adverse effect on our business, financial condition or results of operations.

3. Our manufacturing facilities are subject to certain risks, including quality control issues, disruptions in infrastructure facilities, and obsolete plant and machinery, which could increase our manufacturing costs or interrupt our operations and adversely impact our reputation, sales and strategies.

We currently operate three manufacturing facilities, located in Surat Special Economic Zone ("**SEZ**") in Gujarat (India), Bengaluru, Karnataka (India) and Nonthaburi (Thailand) and are in the process of setting up a manufacturing facility in Hyderabad, Telangana. These facilities are required to comply with quality control systems of various jurisdictions, including, current good manufacturing practices, as prescribed under various legislations and standards stipulated by regulatory agencies where we manufacture and sell our products.

We face the risk of loss resulting from manufacturing or quality control problems. Further from time to time, defects in our products may occur on account of human error. Such defects may require us to replace the products and, accordingly, cause delay in delivery to our customers and/or distributors. If defects are discovered after the product has been delivered to our customers and/or our distributors, we will be required to recall or return and replace our products. Any such recall may result in a loss of revenue as well as a loss of our reputation. Further, we have entered into contracts with governmental agencies, and any repeated failure to comply with quality control measures in one of our products may result in the specific product being blacklisted by such governmental agencies. Any loss of our reputation or brand image, including for the reasons set out above, may lead to a loss of business and adversely affect our ability to enter into additional business arrangements in the future.

We also face the risk of operating inefficiencies caused by less than optimal utilization capacities at our manufacturing facilities, due to a number of factors, including internal factors such as labor issues, or external factors, such as shortage of raw material or lack of demand. Any such operating inefficiencies could have an adverse impact on our business and financial condition.

Our manufacturing facilities are subject to operational risks, such as breakdown or failure of equipment, shortage of power supply, obsolescence of equipment or machinery, labor disputes, natural disasters, industrial accidents including fire hazards and the need to comply with regulatory requirements and quality control systems of various jurisdictions. Our customers and distributors rely on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. If we are not able to supply products, some tenders require us to buy products from our competition from open market and supply to hospitals. Any disruption at our manufacturing facilities on account of any of these factors could result in interruption of our manufacturing process and delay the delivery of products to our customers and distributors, as well as additional costs and loss of reputation. We cannot assure you that such incidents in the future would not result in major disruptions, including shutdown of any of our facilities, or accidents or fatalities, resulting in loss of production.

In addition, we may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our manufacturing facilities to cease, or limit, production until the adverse observations concerning such approvals are resolved. As regulatory approvals are site specific, we may be unable to transfer manufacturing activities to another location immediately. We may also be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades.

Some of our manufacturing facilities are also situated on leased land, and therefore, failure to renew these leases may also affect our business operations adversely.

Further, any labor disruptions or delay in delivery of equipment by our suppliers, or any disruption in the power supply, may result in us breaching our product supply schedules, thereby materially adversely affecting our reputation, business, financial condition, cash flows and results of operations.

4. We may not be able to implement our business strategies or sustain and manage our growth.

Our growth strategy includes strengthening our existing businesses as well as expanding our market presence in new geographies. For further details, see "*Our Business – Our Strategies*" beginning on page 162. Success in expanding our business or entering into new geographies will depend on various internal and external factors, many of which are beyond our control. We cannot assure you that our growth strategies will be successful or that we will be able to continue to expand into new geographies. For example, our strategy for growth in key markets involves hiring a strong sales force with experience and knowledge of such markets. We have faced delays in recruitment and identification of key sales personnel in certain of our key markets due to difficulties in sourcing candidates that met with our selection criteria. Our business has been impacted in these particular geographies, to the extent we were unable to expand our presence within the timelines we had anticipated due to the delays in recruiting key sales personnel. Any further significant delays in recruitment may adversely affect our expansion plans.

Our ability to sustain and manage our growth depends significantly upon our ability to manage key issues such as selecting, recruiting, training and retaining marketing representatives, continuing to offer products to customers at competitive prices, ensuring a high standard of product quality, providing innovative products to our customers and our ability to identify strong distributors. We are also in the process of setting up a manufacturing facility in Hyderabad, India; however, there is no assurance that we will be able to sell the additional volume of products manufactured immediately, or at all. Our failure to do any of the preceding could adversely affect our business, financial condition, cash flows and results of operations.

5. We are exposed to foreign currency exchange rate fluctuations.

Our Restated Consolidated Financial Information has been presented in Indian Rupees. However, certain of our revenues and expenditure are influenced by (i) the currencies of those countries where we sell our products (for example, countries in Europe, South-East Asia, the Middle East and South America), where we sell our products in the local currency; (ii) currencies of countries from where we procure our raw materials and components, which are primarily in U.S. Dollars or Euros; and (iii) the currencies of countries where our foreign Subsidiaries are located. Since our local reporting currency is Indian Rupees, we are also subject to currency translation risk as all foreign currency transactions including sales, purchases and expenses are translated into Indian rupees for the purposes of our Restated Consolidated Financial Information. We are also required to translate the financial statements of certain of our foreign subsidiaries to Indian Rupees.

The exchange rates between the Indian Rupee and these currencies, have fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future.

We may, therefore, suffer losses on account of foreign currency fluctuations for sales to our international customers and distributors and on our international operations, as we may be unable to revise prices due to foreign currency fluctuations. We also may not be able to pass on all our losses on account of foreign currency fluctuations to our customers and/or distributors.

6. We are in the process of setting up an integrated manufacturing facility and R&D centre in Hyderabad, Telangana. If there are delays in obtaining approvals for the facility or if the costs of setting up the facility are higher than expected, it could have a material adverse effect on our business, results of operations and prospects.

We are in the process of setting up an integrated manufacturing facility and R&D centre in Hyderabad, Telangana. The completion of the facility is dependent on the performance of third parties, which are responsible for the construction of buildings, installation and commissioning of plant and machinery and supply and testing of

equipment. We cannot assure you that the performance of these third parties will meet the required specifications or performance parameters. If the performance of these third parties is inadequate in terms of the requirements, this may result in incremental cost and time overruns.

The estimated costs for setting up the facility are based on management estimates and current conditions and are subject to change, owing to prospective changes in external circumstances, costs, and other financial conditions. As a result of the COVID-19 pandemic, construction at the integrated manufacturing facility and R&D centre was halted, resulting in a delay in completion of the first phase of the facility by over nine months. There could be other delays in setting up the facility including as a result of the requirement for obtaining approvals from statutory or regulatory authorities, contractors' or external agencies' failure to perform, exchange rate fluctuations, unforeseen engineering problems, disputes with workers, increase in input costs of construction materials and labor costs, incremental preoperative expenses, taxes and duties, interest and finance charges, cost escalation and/or force majeure events (including the continuing impact of the COVID-19 pandemic), any of which could give rise to cost overruns and delays in our implementation schedules.

If our actual capital expenditures on setting up the facility significantly exceed our estimates, we may not be able to achieve the intended economic benefits of these projects. There can be no assurance that we will be able to complete the commissioning of our facility in accordance with our proposed timelines and any delay could have an adverse impact on our business, results of operations, cash flows, financial condition and prospects.

7. Our inability to expand or effectively manage our growing distribution network may have an adverse effect on our business, results of operations and financial condition.

We have an extensive sales and distribution network that covers 28 distributors in India and over 67 distributors outside of India, as of March 31, 2021. Our ability to expand and grow our product reach depends significantly on the reach and effective management of our distribution network. We continuously seek to increase the penetration of our products by appointing new distributors. We cannot assure you that we will be able to successfully identify or appoint new distributors or effectively manage our existing distribution network. In addition, in India, we have been transitioning from a direct go-to-market business model to a distributor model, which may result in disruptions to our business.

In addition, if the terms offered to distributors by our competitors are more favorable than those offered by us, distributors may decline to distribute our products and terminate their arrangements with us. The loss of any one of our key distributors or a number of our distributors could have a material adverse effect on our business, financial condition, results of operations and future prospects. We face the risk of the loss of all or any of our distributors as we do not enter into any long-term agreements with them. Relationships with our distributors could be adversely affected by various factors, including delays on our part with respect to completion of the orders placed; failure to renew our existing arrangements with one or more of our key distributors; and failure to renegotiate favorable terms with our key distributors, all of which could have a material adverse effect on our business, financial condition, results of operations and future prospects. The loss of any key distributor may significantly affect our revenues and we may be unable to appoint replacement distributors in a timely fashion, or at all, which may reduce our sales volumes and adversely affect our business, results of operations and financial condition.

Further, our competitors may have exclusive arrangements with distributors and prospective distributors may be unable to stock and distribute our products, which may limit our ability to expand our distribution network. In addition, certain distributors offer a wide portfolio of products. If the economies of their other products are more favorable, such distributors may elect to market these products instead of ours. We may also face disruptions in the delivery of our products for various reasons beyond our control, including poor handling by distributors of our products, transportation bottlenecks, lockdowns, natural disasters and labor issues, which could lead to delayed or lost deliveries. If our distributors fail to distribute our products in a timely manner, or adhere to the terms of the distribution agreements, or if our distribution agreements are terminated, our business, financial condition, cash flows and results of operations may be adversely affected. Further, certain approvals for marketing or manufacturing our products in certain jurisdictions have not been obtained in our name and are held in the names of our distributors. These approvals may contain various terms and conditions and if the distributors that hold such approvals default in complying with such terms and conditions or for any other reason stop cooperating with us, we may be unable to market our products in the particular country, which would have an adverse effect on our business, financial condition and results of operations.

8. We face intense competition and may be unable to adapt to the rapid technological changes in the medical devices industry.

The medical device market is intensely competitive and is characterized by extensive R&D and rapid technological change. Our competitors include multinational companies as well as domestic companies. Customers consider various factors such as product quality, technology, breadth of product portfolio, cost, delivery and service, as well as quality and depth of relationships before choosing a medical device brand.

As a result, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies, while developing advanced innovative products. Any quality problems with our processes, goods and services may harm our reputation for producing high-quality products and erode our competitive advantage, sales and market share. The markets in which we operate are highly competitive in terms of pricing, product and service quality.

We face competition from both domestic and international companies, which have significantly greater resources and broader product offerings than us, and we anticipate that, in the coming years, other large companies will enter certain markets in which we currently hold a strong position. The introduction of new technologies and more cost-effective process technologies by our competitors, along with these new therapies may result in increased competition. They may also be able to manufacture products more efficiently or manufacture substitutes for our products at more competitive prices. Any such developments could have a material adverse effect on our business, financial condition and results of operations.

9. We may not be able to enforce our intellectual property rights throughout the world.

As part of our growth strategy, we actively file and seek to obtain patents for new products under development. As of March 31, 2021, we have 67 patents globally with an additional 17 patents in the pipeline and four design registrations in India. Our success depends, in part, on our ability to protect our intellectual property, including trade secrets and other proprietary information, obtain patents and operate without infringing the proprietary rights of others. Such infringement may include, and are not limited to, imitation of our brands, packaging, appearance or other product specifications. If such infringement goes undetected, our reputation, results of operations and market share may be adversely impacted. Filing, prosecuting, maintaining, defending, and enforcing intellectual property rights on our products and technologies in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside India can be less extensive than those in India.

Further, our competitors may have filed patent applications or been granted patents relating to products or processes that compete with those we are developing or seeking to protect, or their patents may impair our ability to do business in a particular geographic area which will in turn adversely impact our operations. Obtaining an approval or patent protection in any one jurisdiction would not ensure patent protection in other jurisdictions.

As of March 31, 2021, we owned 179 domestic registered trademarks, 4 registered designs, 67 registered patents and 17 registered copyrights. We have various trademark, patents and copyright applications pending, any of which may be subject to governmental or third-party objection, which could prevent the issuance of the same. We may not always be able to safeguard our intellectual property from infringement or passing off, both domestically and internationally, since we have operations in several countries and may not be able to respond to infringement or passing off activity occurring without our knowledge. Moreover, our existing trademarks, patents, design and copyright are granted for limited time periods, and there can be no assurance that we will renew them after the lapse of such time period.

In addition, the legal systems of some countries do not support enforcement of intellectual property protection, especially those relating to health care. This could make it difficult for us to stop the misappropriation or other violation of our other intellectual property rights. Accordingly, we may choose not to seek protection in certain countries, and we will not have the benefit of protection in such countries. Proceedings to enforce our intellectual property rights in foreign jurisdictions could result in substantial costs and divert our attention from other aspects of our business. In addition, changes in the law and legal decisions by courts in foreign countries may affect our ability to obtain adequate protection for our products, services and other technologies and the enforcement of

intellectual property. Any of the foregoing could harm our competitive position, business, financial condition, results of operations and prospects.

Further, we cannot assure you that our products do not or will not infringe valid third-party intellectual property rights. Our competitors and other companies or innovators have tried and may continue to try to assert patent and other intellectual property rights against us, such as in respect of a drug coating apparatus, in respect of which an opposition has been filed by a third party against us. In addition, certain oppositions filed against our Company's patent by Relisys Medical Devices has been successful in the past, which adversely affected our business. There are also certain oppositions which have been filed against our "*Supraflex*" trademark. As a result, we could become involved in extensive legal proceedings involving our products. If we are unsuccessful in defending ourselves against these suits, we may be subject to injunctions preventing us from selling our products, resulting in a decrease in revenues, or to damages which may be substantial. Either event would adversely affect our financial position, results of operations or liquidity.

10. Our future growth is dependent upon our R&D capabilities and development of new products and enhancement of existing products, and a failure to effectively develop and commercialize new products would materially and adversely affect our business, financial condition, results of operations and prospects.

The medical device market is developing rapidly and related technology trends are constantly evolving. This results in frequent introduction of new products, short product life cycles and significant price competition. Our R&D is focused on developing innovative products through cost-effective processes with new designs, processes and models. Consequently, our long-term operating results and competitive position depend substantially upon our ability to continually develop, introduce, and market new and innovative products, to modify existing products and services, to customize products and services, to increase our productivity to anticipate and respond to market and technological changes driven by trends such as increased digitization or automation, or by developments that present both risks and opportunities for our businesses.

We intend to continue developing new products and development of any new products and enhancement of existing products requires significant investment in R&D. Our total expenditure on Research and Development Expenses including expenses incurred towards USFDA approval/ clinical trials was ₹579.94 million, ₹1,002.79 million and ₹863.50 million in Fiscals 2019, 2020 and 2021, respectively. Further, commercialization of any new product requires certain government approvals, the timing of which may not be under our control, and is subject to change from time to time. It may also take an extended period of time for our new products to gain market acceptance, if at all.

Our success in developing and commercializing new products is determined primarily by our ability to:

- identify the correct design goals;
- achieve design goals/ critical to quality ("CTQs") through our R&D process;
- optimize our manufacturing and procurement processes to predict and control costs;
- manufacture and deliver products in a timely manner;
- increase customer awareness and acceptance of our products;
- minimize the time and costs required to obtain required regulatory clearances or approvals;
- anticipate competitive trends to compete effectively with other medical device developers, manufacturers and marketers;
- price our products competitively;
- obtain appropriate intellectual property protection for our products and processes; and
- effectively integrate customer feedback into our research and development planning.

There can be no assurance that any products now in development or that we may seek to develop in the future will achieve technological and commercial feasibility, obtain regulatory approval or gain market acceptance. We may also be required to make significant investments in R&D, which may strain our resources and may not provide results that can be monetized. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected. If we are unable to develop and launch new products and enhanced products, our ability to maintain or expand our market position in the geographies in which we operate, may be materially affected. Increasing

regulatory requirements, launch delays and inability to effectively scale manufacturing and achieve targeted margins with respect to any of these products or groups of products in particular may materially adversely impact on our business, financial condition and results of operations.

11. We are dependent on the continued supply of raw materials and components, the supply and cost of which can be subject to significant variation due to factors outside our control.

Our business, financial condition and results of operations are significantly impacted by the availability and cost of raw materials and components, particularly metal tubes, plastic tubes, drugs and polymers. In Fiscals 2019, 2020 and 2021, our materials and related costs (consisting of cost of materials consumed, purchase of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress), amounted to ₹505.83 million, ₹1,147.35 million and ₹1,582.11 million, respectively, accounting for 15.06%, 23.40% and 26.73%, respectively, of our total income in the same periods. Raw material supply and pricing can be volatile due a number of factors beyond our control, including global demand and supply, transportation and labor costs, labor unrest, natural disasters, import duties, tariffs and currency exchange rates, and any unanticipated variation in any of these factors could have a material adverse effect on our operations. In particular, exchange rate fluctuations have regularly impacted our costing.

In addition, we rely on third-party suppliers for certain raw materials and components. Expenses incurred for the supply of raw materials and components from our top three suppliers account for a significant percentage of our total materials and related costs. In Fiscals 2019, 2020 and 2021, such expenses amounted to ₹575.41million, ₹786.82 million and ₹721.88 million, which as a percentage of our total materials and related costs represented 79.78%, 60.26% and 47.53%, respectively. We cannot assure you that in the case of supply delays or failures attributable to our suppliers, we will be adequately compensated. If a supplier fails to or is unable to deliver raw materials or components to us as scheduled or if the supply to one or more of our manufacturing facilities is delayed or otherwise disrupted, we may not be able to make alternative arrangements, either in a timely manner or at all, and such alternative arrangements may be more costly to us.

Our raw material and component suppliers may fail to deliver products of acceptable quality within stipulated schedules, which may adversely affect our operations. Although we have in place an in-house supplier approval process, we cannot assure you that this process would enable us to identify reliable suppliers. We may be required to replace a supplier if the raw materials and/or components do not meet our safety, quality or performance standards or if a supplier should unexpectedly discontinue operations due to reasons beyond its or our control (including financing constraints caused by credit market conditions). In addition, in the event the raw materials and/or components provided by our suppliers do not meet the relevant quality control checks, the performance of our products may be impacted. In particular, at times these defects may not be captured by our quality management systems and inferior products may be marketed to our customers. Any such instances may adversely affect our reputation, business, financial condition, cash flows and results of operations.

We may be required to include details of the suppliers of the key raw material/components used in our products (such as cobalt chromium tubes, drugs, packaging material and balloon catheters) when seeking regulatory approvals for our products. If there is a disruption in our supply chain such that the named supplier is no longer able to provide us with raw materials/components, we may be required to seek regulatory approval afresh or alternatively perform additional studies and tests on the new source of the raw material/component. If we are unable to obtain such approval due to circumstances beyond our control, our results of operations and financial condition may be adversely affected. Even if we are able to make arrangements with alternative suppliers and obtain requisite customer/regulatory approvals, we could incur increased expenditure in procuring the raw materials and/or components from alternative sources, which could result in reduced profit margins.

If we are unable to obtain adequate supplies of raw material or components in a timely manner or on commercially acceptable terms, or if there are significant increases in the prices of the raw material or components, our business and results of operations may be materially and adversely affected. To the extent that we are unable to secure adequate supplies of raw material and/or components which meet our quality standards, or are unable to pass on the price increases to our distributors, our results of operations and financial condition may be adversely affected.

12. We may evaluate opportunities for inorganic growth. Our efforts at integrating acquired businesses may not yield timely or effective results, which may affect our financial condition and results of operations.

In addition to growth through our internal efforts, we may rely upon strategic acquisitions and similar investments to provide us with access to new geographies or expand our product line from time to time. We may further acquire or make investments in similar or related businesses or enter into strategic partnerships. The timely execution of such a transaction, which involves timely receipt of all requisite permits, licenses or approvals, is critical to the success of an acquisition. Government authorities could also delay or block certain acquisitions on antitrust grounds. Moreover, we may experience disputes in relation to such acquisitions. Any of these developments could increase our expenses and require significant management attention that would otherwise be available for ongoing development of our existing businesses, which would have a material adverse effect on our business, cash flows, financial condition and results of operations.

We may also experience difficulties in integrating acquisitions into our existing business and operations. Any such strategic acquisitions may require that our management develop expertise in new areas, manage new business relationships and attract new types of customers. Our failure to derive anticipated synergies could affect our business, financial condition, cash flows and results of operations. Future acquisitions may also expose us to potential risks, including risks associated with the integration of new operations, services and personnel, unforeseen or hidden liabilities, the diversion of resources from our existing businesses and technologies, our inability to generate sufficient revenue to offset the costs of acquisitions, and potential loss of, or harm to, relationships with employees, suppliers or customers, potentially dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities or amortization expenses, or write-offs of goodwill, any of which could significantly disrupt our ability to manage our business and could adversely affect our business, financial condition and results of operations.

13. We are required to comply with certain restrictive covenants under our financing agreements, non-compliance with which may lead to, among others, suspension of further drawdowns. We have, in the past, breached certain financial covenants and there is no assurance that we will not breach these or any other covenants in future.

Certain of our financing arrangements include conditions and covenants that require our Company to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Certain actions that require prior consents from certain lenders include, among others, any amalgamation or merger, creation of additional security, changes in the capital structure of our Company, carrying out any amendment to the constitutional documents of our Company, change in promoter shareholding, changes in the composition of the Board of Directors, declaration of dividend, disposition of assets, raising of capital and developing new assets, acquiring any assets, and making any capital expenditure or investment. Undertaking any of the above without the consent of our lenders or non-compliance with any of the covenants of our financing agreements could trigger an event of default which will entitle the respective lenders to enforce remedies under the terms of the financing agreements, that include, among other things, acceleration in repayment of the amounts outstanding under the financing agreements, enforcement of any security interest created under the financing agreements and suspension of further drawdown or withdrawals under such loan facility, either in whole or in part, and/or restructuring of our debt, and may also lead to appointment of nominee directors to our Board by the lenders. Failure to comply with such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time.

In addition, certain terms of our borrowings require us to comply with covenants and conditions such as maintaining certain financial ratios, including debt to EBITDA (as defined in the facility agreement) ratios and debt service coverage ratios, which are tested periodically, either on a quarterly, half-yearly or annual basis. Under a loan agreement entered into by one of our subsidiaries, SMT Cardiovascular Private Limited with Standard Chartered Bank in March 2020, for an amount of ₹1,000 million, our Company was required to maintain stipulated gearing, i.e., debt to tangible networth and debt to EBITDA (as defined in the facility agreement) ratios, both on a consolidated basis. In Fiscal 2021, we were unable to maintain these ratios and were in breach of the relevant financial covenants under the loan agreement, consequent to which we sought and were granted a condonation of this breach by Standard Chartered Bank.

Further, SMT Ireland Limited, one of our subsidiaries, our Company and Investec had entered into a facility agreement in April 15, 2020 pursuant to which SMT Ireland Limited was granted a loan amounting to Euro 30 million ("**Investec Facility**'). As a term of the Investec Facility, our Company was required to maintain a specified consolidated net leverage ratio, which we breached in June 2021. Accordingly, we have re-negotiated the terms of the loan agreement with Investec and Siemens Bank GMBH (which is currently also a lender in this facility) and have entered into a term sheet dated September 20, 2021 ("**Investec-Siemens Term Sheet**") which, among other actions, prescribes updated financial ratios that we are required to maintain and stipulates mandatory prepayment of the Investec Facility in the event of any fresh funds raised by our Company (including through the Offer), which will take effect upon the amendment of the loan agreement, which is currently in progress. Investec has confirmed that it is not considering a recall of the facility amount under the loan agreement on account of the breach, upon the implementation of the Investec-Siemens Term Sheet. However, there is no assurance, that we will not breach these or any other covenants in the future or be able to procure appropriate waivers. While such breaches have not resulted in any cross default triggers, there is no assurance that any future breach under our other loan agreements would not result in a cross default, which would adversely affect our financial position.

Further, the terms of the Investec-Siemens Term Sheet imposes certain restrictive covenants on our business and operations. For instance, we are required to maintain a restricted cash amount of ₹500 million by September 30, 2021, on which the lenders will have an exclusive lien. We are also required to maintain a minimum additional cash balance of ₹700 million until the facility amounts are repaid, and require prior consent of the lenders for availing of any additional borrowings or extending inter-corporate loans. In addition, the Investec Facility is secured by a charge on the assets of our Company on a *pari passu* basis and a pledge of our Company's shareholding in SMT Ireland. For further information, see "*Financial Indebtedness*" on page 311 and "*Financial Information – Restated Consolidated Financial Information – Note 15: Borrowings*" on page 245. Any invocation of such security by the lenders in future may adversely affect our business and results of operations.

14. We have been unable to locate certain of our historical corporate records.

Our Company was incorporated on October 18, 2001 and we have been unable to trace resolutions passed by the Board and/or the Shareholders of the Company, as the case may be, in relation to certain allotments of Equity Shares in the period from March 27, 2003 to March 20, 2009. For details of the above instances of allotments, see "*Capital Structure – History of Equity Share Capital of our Company*" on page 74.

We have been unable to trace these documents despite conducting a search at our Company's offices and the Registrar of Companies through a practising company secretary and may be unable to obtain copies of these documents in the future to ascertain details of the relevant transactions. Accordingly, appropriate disclosures have been made in this Draft Red Herring Prospectus pursuant to the due diligence of the other relevant corporate records available with our Company including the minutes of meetings of the Board, register of members and auditor's reports to ascertain the information sought from the missing corporate records. While no legal proceedings or regulatory action has been initiated against our Company in relation to the unavailable filings as of the date of this Draft Red Herring Prospectus, we cannot assure you that such proceedings or regulatory actions will not be initiated against our Company in the future in relation to the missing filings and corporate records.

15. We need FDA clearance or approval to market our products in the United States, which may be difficult to achieve.

We are currently in the process of seeking approval from the USFDA and may be subject to regulation by other federal, state and local agencies. Before a new medical device can be marketed in the United States, a company must first submit and receive either 510(k) clearance or premarketing approval ("**PMA**") from the FDA, unless an exemption applies. The typical duration to receive a 510(k) approval is approximately 12 to 18 months from the date of the initial 510(k) submission and the typical duration to receive a PMA approval is approximately 24 to 36 months from the date of submission of the initial PMA application, although there is no guarantee that the timing will not be longer.

As part of the process, we must also conduct clinical trials for each product candidate to demonstrate safety and efficacy to the satisfaction of the FDA to sell our products in the United States. Clinical trials involve use of a medical device candidate (or drug, biological, or other product candidate, as applicable) on human subjects under the supervision of qualified investigators in accordance with current Good Clinical Practices, including the requirement that all research subjects provide informed consent for their participation in the clinical study. The

FDA classifies medical device candidates into "significant risk" and "non-significant risk" devices. Significant risk devices present a potential for serious risk to the health, safety, or welfare of a subject. Examples may include implants, devices that support or sustain human life, and devices that are substantially important in diagnosing, curing, mitigating, or treating disease or in preventing impairment to human health. If a medical device candidate presents a significant risk, an investigational device exemption ("**IDE**") application must be submitted and approved prior to commencing any human clinical trials in the United States in connection with such device. The FDA may approve, conditionally approve, or deny an IDE or it may require further information and, thus, delay approval. In the event the FDA does not agree with the IDE results, we may be required to conduct a feasibility study, which may result in our incurring substantial costs to undertake such studies.

Clinical trials are subject to rigorous regulatory requirements and are expensive and time consuming to design and implement. They require the enrollment of a large number of patients, and suitable patients may be difficult to identify and recruit, which may cause a delay in the development and commercialization of our product candidates. In some trials, a greater number of patients and a longer follow-up period may be required. Patient enrollment in clinical trials and the ability to successfully complete patient follow-up depends on many factors, including the size of the patient population, the nature of the trial protocol, the proximity of patients to clinical sites, the eligibility criteria for the clinical trial and patient compliance. For example, patients may be discouraged from enrolling in our clinical trials if the trial protocol requires them to undergo extensive post-treatment procedures or follow-up to assess the safety and efficacy of our products, or they may be persuaded to participate in contemporaneous clinical trials of competitive products.

Delays in patient enrollment or failure of patients to continue to participate in a clinical trial may cause an increase in costs and delays or result in the failure of the clinical trial. The commencement and completion of clinical trials for our existing products and those under development may be delayed by many factors, including governmental or regulatory delays and changes in regulatory requirements, policy and guidelines or our inability or the inability of any potential licensee to manufacture or obtain from third parties materials sufficient for use in preclinical studies and clinical trials. In addition, we cannot assure you that the FDA trials will achieve expected benefits.

16. We are subject to product liability exposure, and any product liability claims or regulatory actions or the recall of any of our products due to defects may damage our reputation and materially and adversely affect our business, financial condition and results of operations.

Our products expose us to potential product liability claims if their use causes or results in or is alleged to have caused or resulted in injuries, malfunctions or other adverse effects. Any product liability claims, or regulatory actions could be costly and time-consuming to defend. If successful, product liability claims may require us to pay substantial damages. We maintain product liability insurance to cover potential product liability arising from the use of our products. However, future liability claims could be excluded or could exceed the coverage limits of our policy. As we expand our sales internationally and increase our exposure to these risks in many countries, we may be unable to maintain sufficient product liability insurance coverage on commercially reasonable terms, or at all. A product liability claim or potential safety-related regulatory action, with or without merit, could result in significant negative publicity and materially and adversely affect the marketability of our products and our reputation, as well as our business, financial condition and results of operations.

Further, a material design, manufacturing or quality failure or defect in our products, other safety issues or heightened regulatory scrutiny could each warrant a product recall by us and result in increased product liability claims. If authorities in the countries where we sell our products decide that any of our products fail to conform to applicable quality and safety requirements, we could be subject to regulatory action.

Any liability claim brought against us, with or without merit, could result in reputational damage, and even unsuccessful claims could result in substantial costs and diversion of management resources. A successful claim not fully covered by our insurance could have a negative impact on our reputation, financial condition, and results of operations.

17. A majority of our revenues are from sale of a particular product. Any adverse impact on sales of this product would adversely affect our business, results of operations and profitability.

Our revenues are significantly dependent on sales of a single product i.e. *Supraflex Cruz* and over the years, sales of this product have emerged as the single largest contributor to our revenue and business. For instance in Fiscals

2019, 2020 and 2021, revenues from the sale of *Supraflex Cruz* amounted to ₹241.70 million, ₹744.41million and ₹1651.16 million, representing 7.41%, 15.51% and 28.06% of the revenue from operations for the respective year.

Our continued reliance on sales of *Supraflex Cruz* for a significant portion of our revenue exposes us to risks, including but not limited to reduction in the demand in the future; increased competition from domestic and international manufacturers; the invention of superior and cost-effective technology; fluctuations in the price and availability of the raw materials; changes in regulations, among others. In addition, certain oppositions have been filed against our "*Supraflex*" trademark, which if successful would materially harm our business. Any occurrences of such event could significantly reduce our revenues, thereby materially adversely affecting our results of operations and financial condition.

18. Any failure of our information technology systems, including the risk of a data security breach, could adversely affect our business and our operations.

We have information technology systems that support our business processes, including product formulas, product development, sales, order processing, production, distribution and finance. These systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, break-ins and similar events. Effective response to such disruptions will require effort and diligence on the part of our third-party vendors and employees to avoid any adverse effect to our information technology systems. In addition, our systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. For instance, we suffered a loss of ₹29.70 million which has been classified as exceptional item for the year ended March 31, 2021, on account of a phishing attack on our Company. If such unauthorized use of our systems were to occur, data related to our product formulas, product development and other proprietary information could be compromised. The occurrence of any of these events could adversely affect our business, interrupt our operations, subject us to increased operating costs, and expose us to regulatory action or litigation.

19. Regulatory uncertainty associated with pricing of medical devices could adversely affect the marketing, pricing and demand for our products.

Prices for medical devices are subject to regulation in India as well as certain other countries in which we operate. The existence of price controls can limit the revenues we earn from our products. In India, the National Pharmaceutical Pricing Authority ("**NPPA**") regulates prices of drugs and medical devices by bringing them under the ambit of the National List of Essential Medicines ("**NLEM**"). The NPPA has set price ceilings for certain medical devices including cardiac stents, drug-eluting stents, knee implants and intrauterine devices. There are reports that the NPAA may extend the list of medical devices for which it has set price ceilings to other devices or alternatively it may bring in capping of trade margins instead of extending the list of devices under the NLEM. In the event the NPPA extends the list of devices under the NLEM to include our other product offerings, our business, financial condition, cash flows and results of operations may be materially adversely affected. Further, non-compliance with the price notification issued by NPPA could also lead to prosecution of the officers of the company under the Essential Commodities Act, 1955 including imprisonment for a term up to seven years as well as fine. Any action against us or our management for violation of these regulations may divert management attention and could adversely affect our business, prospects, results of operations and financial condition.

Some of our products also come within the ambit of the Drugs (Prices Control) Order, 2013, and which puts a ceiling on the prices of certain products, with a view of achieve affordability and accessibility. Changes to the prices, and/or inclusion of more products could lead to our business being affected. For further details, see "*Key Regulations and Policies*" on page 179.

20. Our operations are subject to evolving environment, health and safety laws and regulatory standards.

We are subject to laws and government regulations, including in relation to safety, health and environmental protection and hazardous waste management. These safety, health and environmental protection laws and regulations impose controls on air and water discharge, noise levels, management of materials used in manufacturing activities, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. For further details, see "*Key Regulations and Policies*" on page 179. The discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage to others may give rise to liabilities towards the government and third parties, and may result in our

incurring costs to remedy any such discharge or emissions.

Environmental laws and regulations in India have become and continue to be more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings, including public interest litigation, being commenced against us, third-party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, revocation of operating permits, criminal sanctions or shutdown of our manufacturing facilities.

We cannot assure you that we will not be involved in any legal or other proceedings in relation to safety, health and environmental matters, the costs of which may be significant. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs and our products could be restricted from entering certain markets if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings being commenced against us, third-party claims or the levy of regulatory fines, which may adversely affect our reputation, business, financial condition, cash flows and results of operations.

21. We regularly work with hazards that may cause significant health and safety liabilities.

Manufacturing sites are inherently dangerous workplaces. We are subject to a variety of laws and regulations dealing with occupational health and safety. Despite compliance with requisite legal requirements and safety standards, we nevertheless remain exposed to the risk of accidents. Our employees and others often work near mechanized equipment, chemicals, moving vehicles and other hazardous materials, such as radiation caused by sterilization process, at our manufacturing facilities and in the transportation of materials to and from our facilities. From time to time, our manufacturing facilities are subject to a risk of discharges of dangerous substances, leaks, ruptures, fires, explosions, and other accidents. Such accidents may disrupt operations and frustrate our ability to plan and utilize our refining capacities. Further, accidents may result in property damage, environmental pollution, personal injuries or fatalities, and the imposition of civil and criminal penalties or other government action against us or our employees. Any such outcomes and significant breakdown of our machinery may entail repair and maintenance costs and cause delay in our operation which could have a material adverse effect on the productivity of our plants, our reputation, and the profitability of our business. Similar developments may have a material adverse effect on our reputation, business, financial condition, cash flows and results of operations.

22. We are subject to a number of market, business, financial, legal and regulatory risks and uncertainties with respect to our international operations that could have a material impact on our business, financial condition or results of operations.

Revenue generated from sales outside India amounted to ₹756.06 million, ₹1,764.16 million and ₹2,719.27 million and represented 23.18%, 36.76% and 46.21% of our revenue from operations in Fiscals 2019, 2020 and 2021, respectively. An important part of our strategy is to continue pursuing growth opportunities and market share outside of India by expanding our global presence. Our international operations are subject to a number of market, business and financial risks and uncertainties, including those related to our use of distribution partners, geopolitical and economic instability, foreign currency exchange and interest rate fluctuations, competitive product offerings, local product preferences and requirements, including preferences for local manufacturers, weaker intellectual property protection in certain countries and longer accounts receivable cycles. Such risks and uncertainties may adversely impact our ability to implement our growth strategy in these markets and, as a result, our sales growth, market share and operating profits from our international operations may be adversely affected.

Our international operations are subject to established and developing legal and regulatory requirements for medical devices in each country in which our products are marketed and sold. Further, most countries require product approvals to be renewed or recertified on a regular basis in order for the products to continue to be marketed and sold there. In addition, several countries that previously did not have regulatory requirements for medical devices have established such requirements in recent years and other countries have expanded, or plan to

expand, existing regulations. These factors may cause us to experience more uncertainty, risk, expense and delay in commercializing products in certain foreign jurisdictions, which could affect our ability to obtain approvals for our products in those jurisdictions and adversely impact our sales, market share and operating profits from our international operations.

Global businesses, including those in the medical device industry, are facing increasing scrutiny of, and heightened enforcement efforts with respect to, their international operations. Any alleged or actual failure to comply with legal and regulatory requirements may subject us to government scrutiny, civil and/or criminal proceedings, sanctions and other liabilities, which may have a material adverse effect on our international operations, financial condition, results of operations and/or liquidity. We could also face other internal or external risks, including foreign exchange and economic volatility, any need to obtain governmental approvals and permits under unfamiliar regulatory regimes, restrictions on the transfer of funds into or out of a country, longer payment cycles in some countries and inability to maintain or enforce legal rights and remedies at a reasonable cost or at all. Any significant changes in the political and economic, financial, competitive, legal and regulatory conditions where we conduct, or plan to expand, our international operations may have a material impact on our business, financial condition or results of operations.

23. Failure to maintain strong working relationships with healthcare professionals could adversely impact our product development and sales and marketing efforts.

If we fail to maintain our working relationships with physicians/surgeons and other healthcare professionals, many of our products may not be developed and marketed in line with the needs and expectations of the professionals who use and support our products. The research, development, marketing and sales of many of our new and improved products is dependent upon our maintaining working relationships with physicians/surgeons as well as other healthcare professionals, including hospital purchasing agents, who are becoming increasingly instrumental in making purchasing decisions for our products. We rely on these professionals to provide us with considerable knowledge and experience regarding our products and the marketing and sale of our products. Physicians and surgeons also assist us as researchers and consultants. We undertake marketing/promotional activities to establish our brand identity, having spent an aggregate of ₹418.85 million, ₹528.85 million and ₹615.60 million on sales and marketing expenses, advertisement expenses, conference expenses, other marketing expenses and marketing consultancy expenses in Fiscals 2019, 2020 and 2021, respectively. However, there is no assurance that our marketing and/or promotion efforts will yield anticipated benefits in establishing our brand identity, which would impact the marketability of our products. Further, if we are unable to maintain our strong relationships with these professionals and continue to receive their advice and input, the development and marketing and sales of our products could suffer, which could have a material adverse effect on our financial condition and results of operations.

Our relationships with physicians/surgeons and other healthcare professionals and other providers that use our products are regulated by, among others, the Drugs and Cosmetics Act, the Uniform Code of Pharmaceutical Marketing Practices, a voluntary code issued by the GoI, as well as applicable laws outside India. In the event the UCPMP is made compulsory, we may be required to incur expenditures to comply with the requirements of the UCPMP, which in turn could materially harm our results of operations or cash flows. In addition, we also have in place various internal and distributor-side policies which aim to give effect to these regulations. Failure to comply with such legislations could result in criminal or civil penalties and may damage our reputation.

24. We are dependent on third-party transportation providers for the supply of components and raw materials and delivery of our finished products.

Our success depends on the supply and transport of the various components and raw materials required for our manufacturing facilities and of our finished products from our manufacturing facilities to our customers and distributors, which are subject to various uncertainties and risks. We use third-party freight and transportation providers for the delivery of our products and transportation strikes, if any, could have an adverse effect on supplies and deliveries to and from our dealers and suppliers.

In addition, raw materials and finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials and products which may also affect our business and results of operations negatively. In the event we fail to maintain a sufficient volume of raw materials and delivery of such materials to us is delayed, we may be unable to meet our purchase

orders in a timely manner or at all, which may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations, and cash flows. We may also be affected by an increase in fuel costs which would result in a corresponding increase in freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

25. Our products are continually subject to clinical trials conducted by us, our competitors or other third parties, the results of which may not meet expectations.

As a part of the regulatory process of obtaining marketing clearance for new products and new indications for existing products, we conduct and participate in numerous clinical trials with a variety of study designs, patient populations and trial endpoints. Clinical trials involve use of a medical device candidate (or drug, biological, or other product candidate, as applicable) on human subjects under the supervision of qualified investigators in accordance with current Good Clinical Practices, including the requirement that all research subjects provide informed consent for their participation in the clinical study. We enter into agreements with research institutes to conduct such clinical trials. Certain of these agreements include compensation fees in the event of cancellation of the clinical trial, including due to factors outside our control. In addition, unexpected or inconsistent clinical data from existing or future clinical trials or other analyses conducted by us, by our competitors or by third parties, including acquired businesses prior to acquisition by us, or the market's perception of this clinical data, may adversely impact our ability to obtain product approvals, our position in, and share of, the markets in which we participate and our business, financial condition, results of operations or future prospects.

26. Countries to which we export may impose varying duties on our products. Any increase in such duties may adversely affect our business and results of operations.

We derive a significant proportion of our revenues from products that are sold in various countries and markets outside India, including Europe, Asia Pacific (except India), LATAM and MEA. Set out below are details of our revenue from operations from these geographies for the periods indicated:

(in ₹ million)

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021
Europe (including RCIS)	284.04	642.52	1,264.12
Asia Pacific (except India)	52.20	152.15	410.82
Latin America ("**LATAM**")	60.28	443.09	557.72
Middle East and Africa ("**MEA**")	359.54	526.41	486.61
Total	**756.06**	**1,764.16**	**2,719.27**

These countries may impose varying duties and other levies on our products, which may affect our ability to compete with local manufacturers and other competitors with more widespread operations that may enable them to coordinate delivery and supplies from strategically located manufacturing facilities in a more cost competitive manner. Our foreign operations expose us to a number of risks related to trade protection laws, tariffs, indirect taxes or other border taxes on products exported to certain countries. Changes or uncertainty in international trade policies or tariffs and non-tariff barriers could impact our global operations, as well as our customers. We may be required to incur additional costs to manufacture and distribute certain of our products. There can be no assurance that the duties or other levies imposed on our products by such destination countries will not change or increase, or that such change or increase will not adversely affect our business and results of operations. Please also see " – *We are exposed to foreign currency exchange rate fluctuations*".

27. There are several restrictions on SEZs and underlying SEZ land in India, which may adversely affect our manufacturing facility located in Surat SEZ.

Our manufacturing facility at the Surat SEZ is classified as a SEZ Unit under the Special Economic Zones Act, 2005 and the Special Economic Zones Rules, 2006. Our lease for these premises, therefore, restricts our ability to use this location to manufacture products other than as specified in the letter of permission issued by the Development Commissioner, Special Economic Zone or to undertake any new line of business. Under the prevailing law governing SEZs in India, the land area in an SEZ may be demarcated into a processing area for

setting up units for manufacture of products or provision of services, or an area exclusively for trading or warehousing purposes, or a non-processing area for other activities. The lease period for space in the processing area or the free trade and warehousing zone within an SEZ has to be for a minimum period of five years. Moreover, the unit cannot remove goods from the SEZ to the domestic tariff area ("**DTA**") without permission from the relevant authority and, where applicable, certain duties are to be paid for clearance of goods in the DTA. There are also certain restrictions on transfer of SEZ units, including the requirement to obtain the approval of the relevant authority for any proposed sale or transfer of an SEZ unit and a lock-in period in terms of the SEZ land having been leased for a minimum period of five years and a minimum operating history of at least two years from commencement of operations of the SEZ unit proposed to be sold or transferred.

Further, the approvals received by us to establish a unit in the SEZs are subject to us fulfilling certain conditions, including achievement of minimum net foreign exchange ("**NFE**") and compliance of various laws. The SEZ unit can import material as well as capital goods for use in manufacturing activities without payment of duty. In the event we are unable to comply with the conditions as per the letter of permission or fail to achieve NFE, our rights to use our units as SEZs may be suspended or withdrawn and may attract duty and penalty on duty free import of material as well as capital goods, which may in turn adversely affect our business, financial condition, results of operations and prospects.

28. Any delay or default in customer payment could result in the reduction of our profits.

Our operations involve extending credit for extended periods of time to our distributors and certain customers and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables. During Fiscals 2019, 2020 and 2021, our trade receivables were ₹1,498.98 million, ₹2,281.58 million and ₹2,551.92 million, respectively, which constituted 45.96%, 47.54%, and 43.36%, respectively, of our total revenue from operations during those years. It is possible that in the event the relevant government body and/or healthcare insurers change their reimbursement policies and coverage plans in the future such that the payment periods are extended or the products which we provided to patients are no longer covered, our results of operations may be adversely affected. Further, any adverse macroeconomic conditions may result in an increase in the number of customers failing to make timely payments, and may result in requests from clients to restructure payments. If our distributors and/or customers delay or default in making these payments, our cash flows and profit margins could be adversely affected.

29. Our operating margins are subject to fluctuation on account of high allocation to R&D activities.

Our operating margins are subject to significant fluctuations on account of our expenses allocated to R&D activities. For instance, our total expenditure on Research and Development Expenses including expenses incurred towards USFDA approval/ clinical trials was ₹579.94 million, ₹1,002.79 million and ₹863.50 million, which represented 19.95%, 22.16% and 14.48% of our total expenses in Fiscals 2019, 2020 and 2021. In particular, since Fiscal 2020, when we initiated the process to seek FDA clearance, we have spent an aggregate of ₹247.61 million towards seeking FDA approval. In view of our business strategy to expand to new geographies, we anticipate that instances of such expenses will increase. Any significant increase in our operating costs may materially and adversely affect our business, financial condition and results of operations.

30. We depend on a limited number of customers for the sale of certain products.

In Fiscals 2019, 2020 and 2021, revenues from our top ten customers accounted for ₹768.80 million, ₹1,123.15 million and ₹1,083.98 million, representing 23.57%, 23.40%, and 18.42% of the total revenue from operations. Since we are largely dependent on certain key customers for a significant portion of our sales, the loss of any one of our key customers or a significant reduction in demand from such customers could have a material adverse effect on our business, financial condition, results of operations and future prospects. We face the risk of the loss of all or any of our customers as we do not enter into any long-term agreements with our customers, and are dependent on our relationships with them. Relationships with our customers could be adversely affected by various factors, including delays on our part with respect to completion of the orders placed; failure to renew our existing arrangements with one or more of our significant customers; and failure to renegotiate favorable terms with our key customers, all of which could have a material adverse effect on our business, financial condition, results of operations and future prospects. The loss of any key customer may significantly affect our revenues and we may have difficulty securing comparable levels of business from other customers or may not be able to secure

new customers in a timely manner or at all to offset any loss of revenue from the loss of any of our key customers, including our largest customer or even our top ten customers. We may also not be able to easily re-allocate our resources and assets in a timely or efficient manner.

There is no assurance that these customers will continue to purchase products from us. In the event these or other significant customers stop purchasing our products, our business, financial condition, cash flows and results of operations may be adversely affected.

31. Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations.

Our business requires significant amount of working capital. Currently, we meet our working capital requirements through a mix of internal accruals and working capital facilities from banks and financial institutions. As on March 31, 2021, we had working capital loans outstanding ₹315.45 million which includes cash credits facility repayable on demand and working capital loans repayable based on respective tenure and payable on demand. While we believe that our internal accruals and working capital facilities availed of from our lenders will be sufficient to address our working capital requirements, we cannot assure you that we will continue to generate sufficient internal accruals and/or raise adequate working capital from lenders to address our future needs. Our inability to meet our present working capital requirements or our enhanced working capital requirements will have an adverse impact on our results of operation, business and financial condition.

32. There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse outcome in such legal proceedings may affect our business, results of operations and financial condition.

There are outstanding legal proceedings involving our Company, our Promoters and Directors which are pending at various levels of adjudication before various courts and tribunals. Such proceedings could divert management time and attention and consume financial resources in their defense or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally. Any unfavorable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and result of operations.

The list of such outstanding legal proceedings as on the date of this Draft Red Herring Prospectus is set out below:

Nature of cases	No. of cases	Total amount involved (in ₹ million)^
Litigation involving our Company		
Against our Company		
Criminal proceedings	1*	Nil
Action by statutory/regulatory authorities	1	Nil
Tax proceedings**	9	35.62
Material civil litigation	Nil	Nil
By our Company		
Criminal proceedings	9	20.85
Material civil litigation	Nil	Nil
Tax proceedings	Nil	Nil
Litigation involving our Directors		
Against our Directors		
Criminal proceedings	1*	Nil
Action by statutory and regulatory authorities	Nil	Nil
Tax proceedings	Nil	Nil
Material civil litigation	Nil	Nil
By our Directors		
Criminal proceedings	Nil	Nil
Material civil litigation	Nil	Nil
Taxa proceedings	Nil	Nil
Litigation involving our Promoters		
Against our Promoters		
Criminal proceedings	1*	Nil
Action by statutory and regulatory authorities	Nil	Nil

Nature of cases	No. of cases	Total amount involved (in ₹ million)[^]
Tax proceedings	Nil	Nil
Material civil litigation	Nil	Nil
By our Promoters		
Criminal proceedings	1[*]	Nil
Material civil litigation	Nil	Nil
Tax proceedings	Nil	Nil
Disciplinary action including penalty imposed by SEBI or stock exchanges	Nil	Nil
Litigation involving our Subsidiaries		
Against our Subsidiaries		
Criminal proceedings	Nil	Nil
Action by statutory and regulatory authorities	Nil	Nil
Tax proceedings	Nil	NIL
Material civil litigation	Nil	Nil
By our Subsidiaries		
Criminal proceedings	Nil	Nil
Tax proceedings	1	126.60
Material civil litigation	Nil	Nil

[^]*Amount to the extent quantifiable*

[*]*A criminal case has been initiated against our Company, Bhargav Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Abhishek Rajendrakumar Kabra and others. For details, see "Legal and Other Information - Outstanding Litigation and Material Development - Litigation involving our Company - Criminal proceedings initiated against our Company" on page 314.*

[**] *Please also see "Financial Information – Restated Consolidated Financial Information – Note 28: Contingent Liabilities and Commitments" on page 249.*

We cannot assure you that any of these matters will be settled in favor of our Company, our Promoters, or our Directors, or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings could adversely affect our reputation, business, financial condition, results of operations and prospects. For further details, see "*Outstanding Litigation and Material Developments*" on page 314.

Further, we have identified certain contingent liabilities arising out of matters pertaining to certain tax matters, see "*—We have certain contingent liabilities which, if materialized, may adversely affect our financial condition.*" on page 44. For details of contingent liabilities of the Company for Fiscals 2019, 2020, and 2021, see "*Financial Information – Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities*" beginning on pages 219 and 304.

Further, our Company has made provisions for an amount of ₹ 9.56 million for the liabilities which could arise from certain tax related proceedings.

33. We may engage in certain transactions in or with countries or persons that are subject to U.S. and other sanctions.

We generate a portion of our revenues from customers in countries subject to international sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State or equivalent sanctions regimes administered by Her Majesty's Treasury, the European Union, the United Nations or other relevant sanctions authorities (collectively, "**International Sanctions**"). For instance, in Fiscal Years 2019, 2020 and 2021, revenue from our customers based in Iran and Russia was ₹420.72 million, ₹527.72 million and ₹334.39 million, respectively, amounting to 12.90%, 11.00% and 5.68%, respectively, of our revenue from operations for the respective years. In addition, we also incorporated a Russian subsidiary in September 2019. Although we do not currently generate any revenues from this subsidiary, we spent 0.21% and 0.88% of our total operational expenditure on this subsidiary in Fiscals 2020 and 2021, amounting to ₹ 8.89 million and ₹ 44.94 million, respectively.

We cannot assure you that our business will not be impacted by such International Sanctions in the future, particularly if there are changes to or more stringent application of International Sanctions. In addition, as a result of our business activities or a change in the scope or application of International Sanctions, our distributors or our other customers that are required to comply with such International Sanctions may seek to terminate or modify our contractual arrangements to impose additional conditions that may be adverse to our operations or business

prospects, or may be precluded from entering into commercial transactions with us. In addition, since sanctions programs are evolving, new requirements or restrictions could come into effect which might increase regulatory scrutiny of our business or result in certain of our business activities being deemed to have violated sanctions, or being sanctionable. Any future changes to International Sanctions may also require us to discontinue existing operations, or prevent us from doing business in jurisdictions subject to such International Sanctions, which could have a material adverse effect on our financial condition and results of operations. In addition, investors in the Equity Shares could also incur reputational or other risks as a consequence.

34. Our insurance policies may not be adequate to cover all losses incurred in our business operations.

Our business operations have the potential to cause personal injury and loss of life, damage to or destruction of property, plant and equipment and damage to the environment and are subject to risks such as fire, theft, flood, earthquakes and terrorism. We maintain industrial, fire and burglary insurance coverage for our manufacturing facilities, warehouses that includes material damages to property, pecuniary loss in respect of monies and stock and business interruption, subject to specific exclusions. We also maintain product liability insurance in relation to all of the products that we develop and sell as well as clinical trials liability insurance, in respect of all of the clinical trials undertaken by us. We believe that our insurance arrangements are consistent with industry standards. As on the date of this Draft Red Herring Prospectus, our Company has insured assets (excluding intangible assets and deferred tax assets) of ₹2,147.93 million. However, our insurance does not cover, or may not adequately cover, every potential risk associated with our business and the consequences thereof. Further, we cannot assure you that any claim under our insurance policies will be honored fully, in part or on time. In addition, market conditions or any significant claim or several claims made by or against us could cause our premiums and deductibles to increase substantially and, in some instances, our coverage may be reduced or become entirely unavailable. Severe disruptions in the domestic and global financial markets could adversely impact the ratings and survival of some insurers, and future downgrades in the ratings of enough insurers could adversely impact both the availability and cost of appropriate insurance coverage. In the future, we may not be able to obtain meaningful coverage at reasonable rates for a variety of risks, including certain types of environmental hazards, business loss of profits and ongoing regulatory compliance. To the extent that we suffer loss or damage, for which we did not obtain or maintain insurance, which is not covered by insurance, which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our business, financial condition and results of operations could be adversely affected.

35. Any inability to attract and retain talented personnel could adversely affect our business.

Our success will depend on attracting and retaining qualified personnel. In particular, our ability to meet future business challenges will be determined by the knowledge and industry experience of our management team. We are highly dependent on our management team and other key personnel. We cannot assure you that we will be able to retain our management team or other key personnel. The loss of these individuals or any inability to manage the attrition levels in different employee categories may materially and adversely impact our business. Competition for skilled and professionally qualified staff is intense and we may require a long period of time to hire and train replacements when such qualified personnel terminate their employment with us. The inability to adequately fill vacancies in our senior executive positions in a timely manner, or at all, could negatively affect our ability to implement our business strategy, which could adversely affect our results of operations and prospects. Further, the loss of a member of senior management may require substantial resources in the short term. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our businesses require.

36. Any delay or inability in obtaining, renewing or maintaining our permits, licenses, registrations, certifications and approvals could result in an adverse effect on our results of operations.

We are required to obtain, maintain and renew certain statutory permits, licenses, registrations, certifications and approvals for existing and proposed operations. For instance, as on the date of this Draft Red Herring Prospectus, we have made an application seeking extension of the validity of the consent to operate of our facility at Bangalore, from the Karnataka State Pollution Control Board, and for the renewal of the shop and establishment license for our warehouse at Sachin, Surat, Gujarat issued by the Office of Inspector under Gujarat Shops and Establishment Act, 1963. We are also setting up an integrated manufacturing facility and R&D centre in Hyderabad, Telangana, and are in the process of obtaining statutory approvals and licenses from the relevant authorities in respect of such proposed facility. There can be no assurance that the relevant authorities will issue any of such permits, licenses,

registrations or approvals in the timeframe that we anticipate or at all. Failure by us to obtain or renew the required permits, licenses, registrations or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Further, these permits, licenses, registrations, certifications and approvals could be subject to several conditions and we cannot assure you that we would be able to continuously meet such conditions or be able to prove compliance with such conditions to the relevant authorities. For instance, we hold certain product quality certifications, which require us to comply with various stipulated conditions and we are subject to periodic inspections and audits in this regard. Over the last three years, there have been a number of instances of non-conformities of certain such conditions, which were detected as a result of these inspections, including a major non-conformity on risk management system pertaining to manufacturing process of Supraflex Cruz. While we were able to correct the non-compliances within the timeframe provided by the relevant authorities during these instances, we cannot assure you that we will be able to comply with such conditions in the future. Any non-compliance may lead to cancellation, revocation or suspension of relevant permits, licenses, registrations, certifications or approvals, or in the case of approvals from government authorities, may lead to imposition of penalties or other government action, each of which may result in the interruption of our operations and may adversely affect our reputation, business, financial condition, cash flows and results of operations.

For further details, see "*Government and other Approvals*" on page 319.

37. There were certain instances of non-compliances in relation to (i) delay in certain filings with respect to the downstream investment made by our Company in SMT Cardiovascular Private Limited and Vascular Concepts Limited; and (ii) delay in filing of form ODI in relation to the corporate guarantee provided by our Company to a lender for the loan availed by SMT Ireland, one of our foreign Subsidiaries.

Our Company had invested in the equity capital of two of our Subsidiaries, namely, SMT Cardiovascular Private Limited and Vascular Concepts Limited ("**Vascular Concepts**") in financial years 2019-20 and 2020-21, respectively and such investments were in the nature of "downstream investments". Pursuant to the applicable exchange control regulations, our Company was required to make certain filings with the RBI in relation to these investments which were delayed. Our Company has made the requisite filings in September 2021, and filed an application for compounding of the delayed filing on September 21, 2021. The RBI, on September 22, 2021, through its FIRMS portal has rejected this application on certain grounds, including that certain documents in respect of SMT Cardiovascular Private Limited should have been submitted with the application. The RBI has further directed us to re-file this application, which is currently under process. Should we make any delayed filings in the future, we may be liable to actions, including penalties from the RBI.

Further, our Company had provided a corporate guarantee in favor of one of the lenders in relation to the loan availed by SMT Ireland, one of our foreign Subsidiaries. Pursuant to the applicable exchange control regulations, our Company was required to file form ODI with the RBI in relation to the guarantee, which was delayed. Our Company has made the requisite filings in November 2020 and has also filed an application for compounding on September 15, 2021 with respect to the delays in filing of form ODI and form APRs. The application is currently pending.

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

Our performance depends largely on the efforts and abilities of our individual promoters, senior management and other key personnel, including Mr. Dhirajlal Kotadia, Mr. Bhargav Dhirajlal Kotadia, Mr. Ganesh Prasad Sabat, and Mr. Nitin Agrawal. We believe that the inputs and experience of these and other senior management and key managerial personnel are essential for the development of the business and the operations and strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The continued operations and growth of our business are dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. Competition for qualified personnel with relevant industry expertise in India and abroad is intense. A loss of the

services of our key personnel may adversely affect our prospects, business, results of operations and financial condition. We may also face attrition of our existing workforce as a result of increased competition or other factors relating to our businesses. For instance, our Company's average attrition rates (for permanent employees) in Fiscals 2019, 2020 and 2021 were 11.34%, 12.86%, and 11.91%, respectively, calculated for each period by dividing the number of resignations during such period by the average number of employees as of the first day and last day of such period.

39. We may require financing for our business operations and the failure to obtain financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability.

Our continued business growth, liquidity and profitability may depend on our ability to obtain adequate funding on acceptable terms from relatively stable and cost-effective sources of funds, which in turn depends on our financial performance, credit ratings and relationships with lenders. There can be no assurance that our business will generate sufficient cash to enable us to service our debt or to fund our other liquidity needs. Our ability to borrow funds may also be affected by a variety of factors, including liquidity in the credit markets, the strength of the lenders from which we borrow and the amount of eligible collateral that may impact calculations of covenants in our financing agreements. An event of default, a significant negative ratings action by a rating agency, an adverse action by a regulatory authority or a general deterioration in prevailing economic conditions may make it difficult for us to access financing in a cost-effective manner. If we are unable to obtain adequate funding on acceptable terms as and when we require for any of the foregoing reasons, it could limit our growth, liquidity and profitability, which could result in a material adverse effect on our liquidity, business, financial condition, cash flows and results of operations.

40. Employment laws and other labor activity could have a material adverse effect on us.

As at March 31, 2021, we had a total of 988 full-time employees (including consultants) globally and 410 contract laborers working at our manufacturing facilities. All employment relationships are subject to certain protections under law, including minimum wages, maximum working hours, overtime, and safe working conditions. Regulatory changes could involve significant costs to our business.

There can be no assurance that we will not experience disruptions in our operations due to disputes or other problems with our workforce going forward, and efforts by our employees to modify compensation and other terms of employment may divert management's attention and increase operating expenses. The occurrence of such events could adversely affect our business and future results of operations.

From time to time, we also enter into contracts with independent contractors to complete specific assignments and these contractors are required to provide the labor necessary to complete such assignments. Although we do not engage these contractors directly, it is possible under Indian law that we may be held responsible for wage payments to laborers engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments may adversely affect our business, financial condition, cash flows and results of operations. While the Contract Labour (Regulation and Abolition) Act, 1970 does not require us to retain contract laborers as our employees, on a case-by-case basis, the Indian courts have directed employers in the past to absorb contract laborers as employees. Any such order from a court or any other regulatory authority may adversely affect our reputation, business, financial condition, cash flows and results of operations.

41. Certain of our premises, including certain of our branches and warehouses are leased. Non-renewal or a dispute with a lessor may lead to disruption of business and cost associated with shifting of branch office.

We have entered into lease agreements with third parties for certain of our premises, including certain of our branches and warehouses in India and abroad. We may also enter into such transactions with new third parties in the future. In the event that we are unable to renew our lease, we may be required to vacate the current premises and make alternative arrangements for our branches and/or warehouses. We cannot assure you that we will be able to renew these leasing arrangements at commercially favorable terms, or at all. If we are unable to renew all or any of our leasing arrangements, it may cause disruptions in our business and we may incur substantial costs associated with shifting of our offices, all of which may adversely affect our operations and financial condition. For further details, see "*Our Business—Properties*" on page 178.

42. Our Directors and Key Managerial Personnel are interested in our Company in addition to the remuneration and reimbursement of expenses.

Our Directors and our Key Managerial Personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, as applicable, including to the extent of bonuses distributed by our Company, employee stock options granted pursuant to the ESOP 2021 and their shareholding in our Company as well as dividends payable, if any. Our Directors and Key Managerial Personnel may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. Further, Our Company has purchased a factory building situated in the Surat Special Economic Zone, Sachin GIDC, Surat (Gujarat), from one of our Group Companies and a member of the Promoter Group, Sahajanand Technologies Private Limited, in which our Directors, Bhargav Dhirajlal Kotadia and Dhirajlal Vallabhai Kotadia are directors. Our Directors may be deemed to be interested in the factory building. We believe that the transaction has been conducted on an arms-length basis, however, there can be no assurance that our Company could not have achieved more favourable terms had the transaction not been entered into with related parties. In the future, our Company may undertake further acquisitions of land from entities related to any of our Promoters or Directors. For further information on the interest of our Managing Director and Key Managerial Personnel, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management*" on page 196.

43. We have certain contingent liabilities which, if materialized, may adversely affect our financial condition.

As at March 31, 2021, we had certain contingent liabilities, as set out in the table below.

(in ₹ million)

Particulars	As of March 31, 2021
Claims against the Group not acknowledged as debt	
Income Tax Matters	149.57
Commercial Matters	2.69
Bank Guarantee	3.83
Total	**156.09**

***Note**: Our Company received summons from the GST Authorities and based on the information provided by them for certain vendors who had not deposited the GST taxes to the Authorities for the services rendered to our Company. Accordingly, our Company has paid and provided for ₹46.95 million of GST (as Exceptional Items), interest of ₹13.78 million (classified under Finance Costs) and penalty of ₹7.04 million (classified under Other Expenses) in relation to the same. We do not expect any further outflow of resources with respect to this matter.*

Any or all of these contingent liabilities may become actual liabilities. If at any time we are compelled to pay all or a material proportion of these contingent liabilities, it would have a material and adverse effect on our business, financial condition, cash flows and results of operations. For further details, see "*Financial Information – Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities*" beginning on pages 219 and 304.

44. If we are unable to maintain effective internal controls, our business and reputation could be adversely effected.

We take reasonable steps to maintain adequate procedures for compliance and maintain effective internal controls over our operations and financial reporting. However, internal controls over financial reporting must be reviewed on an ongoing basis as risks evolve, and the processes to maintain such internal controls involve human diligence and compliance and are subject to lapses in judgment and breakdowns resulting from human error. While our Company has adopted new controls in relation to the remittances, including measures to ensure that (i) a nominal amount is released to the vendor and post receiving the confirmation from the vendor, the full amount; and (ii) for a certain high valued transaction, a video call is conducted with a vendor before remitting the payment, there can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

45. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised by any bank or financial institution or other independent agency and may be subject to change based on various factors, some of which are beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on our current business plan, current market conditions and other commercial and technical factors, and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. We may have to revise our funding requirements and deployment of proceeds from time to time on account of a variety of factors, such as our financial and market conditions, our business and prevailing strategy, industry competition, interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. See "*Objects of the Offer*" on page 87.

The Net Proceeds are proposed to be utilized towards repayment of certain borrowings, funding working capital requirements of one of our Subsidiaries and general corporate purposes. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations

46. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have entered into various transactions with related parties. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. For details on our related party transactions, see "*Financial Information – Restated Consolidated Financial Information- Note 31: Related Party Disclosures*" on page 250. For details on the interest of our Promoter, Directors and key management personnel of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management – Interest of Our Directors*" and "*Our Management – Interest of Key Managerial Personnel*" on pages 200 and 211, respectively. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, cash flows and results of operations.

47. Failure to comply with anti-bribery and corruption laws and regulations could subject us to penalties and adversely affect our business and results of operation.

The medical and medical devices industries in India and elsewhere are not immune to the risks of corrupt practices, bribery and improper practices. We are subject to anti-corruption and anti-bribery laws that prohibit improper payments or offers of improper payments to medical professionals, governments, officials and political parties for the purpose of obtaining or retaining business and require the maintenance of internal controls to prevent such payments. Any failure or alleged failure by us or any intermediaries we rely on to comply with such laws, regulations or requirements could subject our Company, or our subsidiaries or their officers and directors to penalties, including the payment of fines, and such actions may adversely affect our business, results of operations, financial condition, cash flows and reputation.

48. We utilize the services of certain third parties for our support functions. Any deficiency or interruption in their services could adversely affect our business and reputation.

We engage third-party service providers from time to time for support functions such as maintenance and servicing of our equipment. Our ability to control the manner in which services are provided by third parties is limited. We may be held liable on account of any deficiency of services on the part of such service providers. We cannot assure

you that we will be successful in continuing to receive uninterrupted and quality services from third parties. Any disruption or inefficiency in the services provided by third parties could affect our business and reputation.

49. Our Company as well as certain of our subsidiaries have incurred losses in the past.

Our Company has incurred a restated loss after tax of ₹723.38 million in Fiscal 2021. In addition, certain of our subsidiaries incurred losses in the past. There can be no assurance that our Company or such subsidiaries will not continue to incur losses in the future. In addition, the operating expenses for us and our subsidiaries, including employee costs and interest expenses, may increase in the future due to various factors including expansion of operations, increased cost of funding, addition of human resources, our technology infrastructure, marketing initiatives and upgradation of operational and financial systems. As a result, any decrease or delay in generating additional revenue could result in substantial operating losses which would have an adverse effect on our results of operations and financial condition.

Details of our subsidiaries which have incurred losses after taxes, for the past three financial years are set out below.

(in ₹ million)

Name of Subsidiary	For the year ended 31 March, 2019	For the year ended 31 March, 2020	For the year ended 31 March, 2021
SMT Cardiovascular Private Limited		(0.43)	(29.96)
Sahajanand Medical Technologies Ireland Limited	18.22	13.00	(141.23)
SMT Germany Gmbh	-	(67.72)	(113.76)
SMT Switzerland AG	-	(19.73)	(9.51)
SMT Polonia SPOLKA Z Ograniczona Odpowiedzialnoscia	-	(22.07)	(20.67)
SMT CIS LLC	-	(8.30)	(38.63)
Sahajanand Medical Technologies Iberia SL	-	(40.26)	15.62
SMT USA Ltd	-	-	(0.01)
SMT France SAS	-	-	(23.89)

50. We have had negative net cash flows from operating activities in the past and may continue to have negative cash flows in the future.

The following table sets forth our cash flow from operating activities for the years indicated:

(in ₹ million)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2020	Year ended 31 March, 2021
Net cash generated/(used in) operating activities	(364.66)	(131.52)	463.52

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially affect our ability to operate our business and implement our growth plans. For further details, see "*Financial Information – Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 219 and 279, respectively.

51. Our Statutory Auditors have included an emphasis of matter on our Company's audited financial statements for Fiscal 2021.

In its report on the Restated Consolidated Financial Information of our Company for Fiscal 2021, our Statutory Auditors have included an emphasis of matter, drawing attention to a note in the Restated Consolidated Financial Information which draws described the prior period adjustments relating to share-based payment. For further details, see "*Financial Information – Restated Consolidated Financial Information*" on page 219. Potential investors should consider these matters in evaluating our financial position, cash flows and results of operations.

52. Our Company has unsecured loans that may be recalled by the lenders at any time.

Our Company has availed an unsecured loan, which may be recalled by the lender at any time. In the event the loan is recalled on demand by the lender and our Company is unable to repay the outstanding amounts under the

facility, it would constitute an event of default. As a result, any such recall may affect our business, cash flows, financial condition and results of operations. For further details, see "*Financial Indebtedness*" beginning on page 311.

53. We have commissioned and paid for the services rendered by Frost & Sullivan in relation to the Independent Market Report on Vascular Devices Market in Select Geographies dated August 20, 2021, which has been used for industry related data in this Draft Red Herring Prospectus.

We have commissioned and paid for the services of an independent third-party research agency, Frost & Sullivan, to prepare an industry report titled *Independent Market Report on Vascular Devices Market in Select Geographies* dated August 20, 2021, exclusively for the purpose of confirming our understanding of the industry in connection with the Offer, for industry related data that has been disclosed in this Draft Red Herring Prospectus. Frost & Sullivan was engaged by our Company in May 2021.

The report is a paid report, uses certain methodologies for market sizing and forecasting, and is subject to various limitations and based upon certain assumptions that are subjective in nature. While we believe the data to be true, we cannot assure you that it is complete or reliable. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on, this information.

54. Our Promoters together with members of the Promoter Group may be able to exert significant influence over our Company after completion of the Offer, which may limit your ability to influence the outcome of matters submitted for approval of our Shareholders.

Following the completion of the Offer, our Promoters together with members of the Promoter Group will continue to hold more than [●]% of our post-Offer Equity Share capital and certain other Shareholders may also continue to hold more than [●]% of our post-Offer Equity Share capital. Such shareholdings to be held by our Promoters, members of the Promoter Group, and certain significant shareholders could limit your ability to influence corporate matters requiring shareholder approval, especially the resolutions which are required to be approved by way of special resolutions by the Shareholders under the provisions of the Companies Act. Any consequent delay or non-receipt of shareholder approval for such matters could adversely affect our business. In addition, following the completion of the Offer and subject to the approval of shareholders by special resolution after the successful completion of the Offer, NHPEA Sparkle Holding B.V. and Samara Capital Markets Holding Limited will each have the right to appoint one non-executive nominee director on the Board until such time that such shareholder continues to hold 10% or more of the issued and paid-up Equity Share capital of our Company, on an as adjusted basis. Further, subject to the aforesaid rights of NHPEA Sparkle Holding B.V. and Samara Capital Markets Holding Limited and the approval of the shareholders by special resolution after the successful completion of the Offer, our Promoters will be entitled to nominate all the non-independent directors on our Board. For further details on their shareholding and their right to appoint nominee directors, see "*Capital Structure*", "*History and Certain Corporate Matters*" and "*Main Provisions of the Articles of Association*" beginning on pages 74, 185 and 358, respectively.

55. One of our Promoters is selling Equity Shares in the Offer and will receive a portion of the proceeds from the Offer as part of the Offer for Sale.

The Offer includes an offer for sale of up to [●] Equity Shares aggregating up to ₹ 10,896.70 million by the Selling Shareholders, which includes one of our Promoters. The proceeds from the Offer will be paid to the Selling Shareholders, in proportion of the respective portion of their Offered Shares, and we will not receive any such proceeds from the Offer for Sale. For further details, see "*Objects of the Offer*" and "*Capital Structure*" on pages 87 and 74, respectively.

EXTERNAL RISK FACTORS

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

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

The GoI has passed new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("**Social Security Code**"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, respectively which were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalised, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

Further, the application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. For instance, the Taxation Laws (Amendment) Act, 2019, a tax legislation issued by the Ministry of Finance, GoI, effective as of September 20, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this legislation, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed, from the erstwhile 25% or 30% depending upon the total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse orders passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. We have had instances where orders by courts and tribunals have had an effect on our profitability. For instance, in Fiscal 2021, we had to make a provision of ₹330.76 million which has been classified as exceptional item for the year ended March 31, 2021 consequent to the judgment by the Supreme Court of India dated September 13, 2021 where the refund of GST input tax credit on input services under the inverted duty structure was ruled not to be claimable and our Company also made a provision of ₹46.95 million which has been classified as exceptional item for the year ended March 31, 2021 against the summons received from the GST Authorities and based on the information provided by them for certain vendors who had not deposited the GST taxes to the Authorities for the services rendered to our Company.

The GoI has announced the union budget for Fiscal 2022, pursuant to which the Finance Bill, 2021 ("**Finance Bill**") has introduced various amendments. The Finance Bill received assent from the President of India on March 28, 2021, and has been enacted as the Finance Act, 2021 (the "**Finance Act**"). We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition and results of operations. Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect

on our business and financial performance. For further discussion on capital gains tax, see "-*You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares*" on page 54.

There can be no assurance that the GoI will not implement new regulations and policies requiring us to obtain approvals and licenses from the GoI or other regulatory bodies, or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent in the jurisdictions in which we operate may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. It may also have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which could materially harm our results of operations or cash flows. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

We are unable to determine the impact of any changes in or interpretations of existing, or the promulgation of, new, laws, rules and regulations applicable to us and our business. If that was to occur it could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

57. Recent global economic conditions have been challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. The ongoing COVID-19 pandemic has caused an economic downturn in several major economies and generated volatility in, and general adverse impact on, the global securities markets, including in India; further, it is not possible for us to predict the extent and duration of this volatility and adverse impact on the global or Indian securities markets, including any possible impact on our Equity Shares. For further discussion on COVID-19, see "– *The current outbreak of COVID-19 has caused severe disruptions in the Indian and global economy and adversely impacted our business. The continuing impact of the COVID-19 pandemic on our business, operating results, cash flows and/or financial condition are uncertain and cannot be predicted*." on page 22. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

Large budget deficits and rising public debts in recent years, for example in Europe, have triggered sovereign debt finance crises that resulted in the bailouts of European economies and elevated the risk of government debt defaults, forcing governments to undertake aggressive budget cuts and austerity measures, in turn underscoring the risk of global economic and financial market volatility. Financial markets and the supply of credit could continue to be negatively impacted by ongoing concerns surrounding the sovereign debts and/or fiscal deficits of several countries in Europe, the possibility of further downgrades of, or defaults on, sovereign debt, concerns about a slowdown in growth in certain economies and uncertainties regarding the stability and overall standing of the European Monetary Union. Increased budget deficits and the incurrence of additional public debt in Europe and other developed markets as a result of the COVID-19 pandemic may exacerbate these risks and uncertainties.

Further deterioration in the global economy as a result of COVID-19 or otherwise, or the perception that such deterioration could occur, may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity

and restrict our access to capital, which could have an adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, results of operations shareholders' equity and the price of our Equity Shares.

58. A decline in India's foreign exchange reserves may adversely affect liquidity and interest rates in the Indian economy, which could have an adverse impact on us. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.

According to the RBI, India's foreign exchange reserves amounted to US$ 641.113 billion in the week ended September 10, 2021. Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. There can be no assurance that India's foreign exchange reserves will not decrease again in the future. Further decline in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our business, financial condition, cash flows and results of operations.

59. Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business and financial performance and the trading price of our Equity Shares post listing.

Ratings agencies may lower their sovereign ratings for India or the outlook on such ratings, which would also impact our ratings. Moody's and Fitch Ratings, Inc. ("**Fitch**") have negative outlooks on their sovereign rating for India while Standard and Poor's ("**S&P**") currently has a stable outlook.

On June 18, 2020, Fitch downgraded their outlook on India's long-term foreign currency Issuer Default Rating to "negative" from "stable" and affirmed the rating at BBB-, which was re-affirmed on December 3, 2020. This was due to the COVID-19 pandemic having significantly weakened India's growth outlook for the year and the challenges associated with a high public debt burden.

In November 2017, Moody's upgraded India's credit rating to "Baa2" from "Baa3" and changed its India rating outlook to "stable" from "positive" citing reforms such as GST, demonetization, the inflation-targeting monetary policy framework, the Bankruptcy Act, bank recapitalization, Aadhaar and the Direct Benefits Transfer system; however, on June 1, 2020, Moody's downgraded India's foreign currency and local currency long-term issuer ratings to "Baa3" from "Baa2" while maintaining the "negative outlook" due to relatively weak implementation of reforms since 2017, a sustained period of relatively low growth, significant deterioration in the fiscal position of the government and the rising stress in the financial sector, Moody's retained this rating on February 25, 2021.

In September 2020, S&P retained India's sovereign ratings at "BBB minus" with a "stable" outlook, citing its expectation that the Indian economy will recover following the resolution of the COVID-19 pandemic.

There can be no assurance that these ratings will not be further revised or changed by S&P, Fitch or Moody's or that any of the other global rating agencies will not downgrade India's credit rating. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available. Any of these developments may materially and adversely affect our business, financial condition, cash flows and results of operations and impact the trading price of our Equity Shares post listing.

60. If inflation rises in India, increased costs may result in a decline in profits.

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation in the recent past. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, financial condition, cash flows, results of operations, and prospects. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

61. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act, 2002, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly: (i) involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services; (ii) shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market; or (iii) results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Control Commission of India ("**CCI**"). Additionally, the Competition Commission of India (Procedure in regard to the Transaction of Business Relating to Combinations) Regulations, 2011, as amended, set out the mechanism for implementation of the merger control regime in India. The CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. We may also be subject to queries and proceedings from the CCI. For instance, we have recently received a letter from the CCI seeking certain information and documents from our Company in relation to our acquisition of Vascular Concepts Limited. For further details, see "*Outstanding Litigation and Material Developments – Litigation involving our Company - Action by statutory or regulatory authorities against our Company*" on page 315.

If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any award passed by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, cash flows and results of operations.

62. Natural and man-made disasters, including terrorist attacks, pandemics, and the inefficient management of the effects of such disasters, may have an adverse effect on our business, financial condition, cash flows and results of operations.

Natural disasters such as earthquakes, tsunamis, floods, pandemics, cyclones and droughts of a significant scale, may cause damage or disruption to our facilities, adversely affect our production capabilities by reducing the volume of products we can manufacture, and cause us to suffer significant losses. We may also be adversely impacted by government responses to such natural disasters, such as when state governments limit the supply of water to our facilities in the event of a drought. Furthermore, there is a risk that we may be subject to terrorist attacks which may disrupt or damage our facilities. Any damage or failure resulting from natural or man-made disasters, including explosions, terrorist attacks, as well as inefficient management of the effects of any such disaster, may cause temporary or extended interruptions in the completion or operation of our facilities, which may have an adverse effect on our business, financial condition, cash flows and results of operations.

63. Foreign investors are subject to investment restrictions under Indian law, which could limit our ability to attract foreign investors and our ability to raise foreign capital may be constrained by Indian law, which in turn could adversely affect the market price of the Equity Shares.

Foreign investment in Indian securities is subject to regulation by Indian regulatory authorities. Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into a foreign currency and repatriate that foreign currency from India will require a no-objection certificate or a tax clearance certificate from the Indian income tax authorities. Additionally, the GoI may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the GoI experiences extreme difficulty in stabilizing the balance of payments, or

where there are substantial disturbances in the financial and capital markets in India. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2019 which came into effect from April 22, 2020, any investment into India by an entity of a country which shares a land border with India, or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall require the approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 357.

As an Indian company, we are also subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business, financial condition and results of operations.

64. Investors may have difficulty enforcing foreign judgments against us or our management.

We are a limited liability company incorporated under the laws of India. The majority of our directors and key management personnel are residents of India and the majority of our assets are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 ("**CPC**") on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

Among others, the United Kingdom, Singapore, the United Arab Emirates and Hong Kong have been declared by the GoI to be reciprocating territories for the purposes of Section 44A of the CPC. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate any amount recovered.

65. Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as IFRS and U.S. GAAP, with which investors may be more familiar.

Our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus is presented in conformity with Ind AS, restated in accordance with the requirements of Section 26 of part I of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by the ICAI. Ind AS differs from accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our Restated Consolidated Financial Information to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the SEBI ICDR Regulations included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

RISKS RELATING TO THE OFFER AND THE EQUITY SHARES

66. Our Equity Shares have never been publicly traded, and may experience price and volume fluctuations following the completion of the Offer. Further, our Equity Shares may not result in an active or liquid market and the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Offer Price or at all. The Offer Price is also not indicative of the market price of the Equity Shares.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, does not guarantee the liquidity of such market for the Equity Shares. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Offer Price will be determined by our Company and the Selling Shareholders in consultation with the BRLMs through the Book Building Process. The Offer Price will be based on numerous factors, including certain qualitative and quantitative factors, the basic and diluted earnings per share, price earnings ratio in relation to the offer price per equity share of the face value, comparison with listed industry peers, if any, and return on net worth as described under "*Basis for Offer Price*" on page 97 and may not be indicative of the market price for the Equity Shares after the Offer.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- developments relating to our peer companies in our industry;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- speculative trading in the Equity Shares;
- investor perception of our Company;
- the public's reaction to our press releases and adverse media reports;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares. The market price of the Equity Shares may decline below the Offer Price and investors may not be able to re-sell Equity Shares at or above the Offer Price, resulting in a loss of all or part of the investment.

67. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, capital requirements and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our board of directors in accordance with applicable law, and subject to approval of shareholders. The quantum of dividend to be distributed, if any, will depend on a number of factors, including profit earned during the current fiscal overall financial conditions, cash flows, capital requirements, business prospects and expansion plans, cost of raising funds from alternative sources, restrictive covenants under our financing arrangements, money market conditions, and macro-economic conditions. We cannot assure you that we will be able to pay dividends at any point in the future. We may also decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. For further details, see "*Dividend Policy*" on page 218.

68. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under the current Indian tax laws and unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction tax ("**STT**") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017- TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on such long-term capital gains exceeding ₹100,000 arising from a sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any equity shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax at in India. Capital gains arising from the sale of equity shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of equity shares.

The Finance Act, 2020, passed by the Parliament of India stipulates that the sale, transfer and issue of certain securities through exchanges, depositories or otherwise will be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of certain securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified under the Finance Act at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020. Under the Finance Act, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. The Government of India has recently announced the union budget for Fiscal 2022, pursuant to which the Finance Act may undergo various amendments.

69. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors'

book entry, or 'demat' accounts with depository participants in India, are expected to be credited with the Equity Shares within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately six working days from the Bid Closing Date (or such other period as prescribed under applicable laws) and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six working days of the Bid Closing Date (or such other period as prescribed under applicable laws). There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict the investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

70. Any future issuance of Equity Shares or convertible securities or other equity linked securities of our Company may dilute your shareholding and sales of the Equity Shares by significant shareholders may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by our Company, including a primary offering or through the ESOP Scheme may lead to the dilution of investors' shareholdings in our Company. Any future issuances of Equity Shares or the disposal of Equity Shares by our significant Shareholders or the perception that such issuance or sale may occur may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. We cannot assure you that we will not issue further Equity Shares or that the Shareholders will not dispose of, pledge or otherwise encumber the Equity Shares held by them (subject to lock-in provisions under the SEBI ICDR Regulations). Any future issuances could also dilute the value of your investment in the Equity Shares. We may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

71. Fluctuation in the exchange rate of the Rupee and other currencies could have an adverse effect on the value of our Equity Shares, independent of our operating results.

Our Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends, if declared, in respect of our Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the net proceeds received by shareholders.

The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by our Company. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If our Company elects not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be

predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

73. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six working days from the Bid/Offer Closing Date (or such other period as prescribed under applicable laws), events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, cash flows, financial condition or results of operations or may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

74. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

SECTION III – INTRODUCTION

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Consolidated Financial Information as of and for the Fiscal Years ended March 31, 2019, March 31, 2020 and March 31, 2021. The summary financial information presented below should be read in conjunction with "*Financial Information – Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 219 and 279, respectively.

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Restated Consolidated Statement of Assets and Liabilities

Amounts in ₹ million, unless otherwise stated

	Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
	ASSETS			
1	**Non-Current Assets**			
	(a) Property, Plant and Equipment	498.25	453.05	442.39
	(b) Right of Use Assets	183.51	138.49	132.37
	(c) Capital Work-in-Progress	598.11	286.41	2.68
	(d) Goodwill	455.25	73.93	-
	(e) Other Intangible Assets	896.96	365.72	10.62
	(f) Financial Assets			
	(i) Investments	0.04	0.04	0.04
	(ii) Loans	-	5.41	10.70
	(iii) Other Financial assets	86.95	81.77	13.24
	(g) Income Tax Assets (net)	4.96	-	-
	(h) Deferred Tax Assets (net)	126.92	95.25	72.75
	(i) Other Non-Current Assets	100.98	408.62	200.42
	Total Non-Current Assets	**2,951.93**	**1,908.69**	**885.21**
2	**Current Assets**			
	(a) Inventories	1,425.06	1,159.90	805.56
	(b) Financial Assets			
	(i) Trade Receivables	2,551.92	2,281.58	1,498.98
	(ii) Cash and Cash Equivalents	1,126.42	229.87	103.91
	(iii) Other Bank Balances	322.64	442.75	1,641.89
	(iv) Loans	13.42	17.50	27.46
	(v) Other Financial Assets	84.91	100.59	87.13
	(c) Other Current Assets	143.25	176.96	153.53
	Total Current Assets	**5,667.62**	**4,409.15**	**4,318.46**
	Total Assets	**8,619.55**	**6,317.84**	**5,203.67**
	EQUITY AND LIABILITIES			
1	**Equity**			
	(a) Equity Share Capital	88.90	88.90	88.90
	(b) Other Equity	3,246.77	4,090.25	3,800.81
	Equity attributable to owners of the Company	**3,335.67**	**4,179.15**	**3,889.71**
	(c) Non-Controlling Interest	129.29	146.95	-
	Total Equity	**3,464.96**	**4,326.10**	**3,889.71**
	Liabilities			
2	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	2,616.72	21.62	75.06
	(ii) Lease Liabilities	78.87	61.63	59.22
	(iii) Other Financial Liabilities	38.35	25.09	18.41
	(b) Provisions	13.07	19.94	10.49
	(c) Deferred Tax Liabilities (net)	153.70	59.17	-
	Total Non-Current Liabilities	**2,900.71**	**187.45**	**163.18**

	Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
3	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	315.45	802.85	569.85
	(ii) Trade Payables			
	total outstanding dues of micro enterprises and small enterprises	7.91	8.01	1.76
	total outstanding dues of creditors other than micro enterprises and small enterprises	1,082.62	688.79	270.61
	(iii) Lease Liabilities	60.93	35.41	21.42
	(iv) Other Financial Liabilities	512.61	189.07	152.46
	(b) Other Current Liabilities	49.23	48.30	115.88
	(c) Provisions	23.91	6.79	6.11
	(d) Current Tax Liabilities (net)	201.22	25.07	12.69
	Total Current Liabilities	**2,253.88**	**1,804.29**	**1,150.78**
	Total Liabilities	**5,154.59**	**1,991.74**	**1,313.96**
	Total Equity and Liabilities	**8,619.55**	**6,317.84**	**5,203.67**

Restated Consolidated Statement of Profit and Loss

Amounts in ₹ million, unless otherwise stated

	Particulars	For the Year ended 31 March, 2021	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
I	**Income :**			
	Revenue from operations	5,885.21	4,799.09	3,261.15
	Other income	34.38	103.97	98.30
	Total Income (I)	**5,919.59**	**4,903.06**	**3,359.45**
II	**Expenses:**			
	Cost of materials consumed	931.80	823.78	447.99
	Purchase of stock-in-trade	586.98	481.89	273.27
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	63.33	(158.32)	(215.43)
	Employee benefits expense	1,359.66	1,009.21	721.58
	Finance costs	203.73	86.83	70.10
	Depreciation and amortisation expense	354.16	195.92	122.68
	Other expenses	2,465.44	2,085.22	1,487.23
	Total expenses (II)	**5,965.10**	**4,524.53**	**2,907.42**
III	**Restated Profit/(loss) before exceptional items and tax (I - II)**	**(45.51)**	**378.53**	**452.03**
IV	Exceptional items	407.41	-	-
V	**Restated Profit/(loss) before tax (III-IV)**	**(452.92)**	**378.53**	**452.03**
VI	**Tax expense:**			
	Current tax	201.36	149.89	133.49
	Deferred tax expense / (credit)	(24.19)	(25.71)	(15.76)
	Tax related to earlier periods	93.29	-	-
	Total tax expense (VI)	**270.46**	**124.18**	**117.73**
VII	**Restated Profit/(loss) after tax (V - VI)**	**(723.38)**	**254.35**	**334.30**
VIII	**Other comprehensive income/(loss)**			
	Items that will not be reclassified subsequently to restated consolidated statement of profit or loss			
	Re-measurement of the defined benefit obligation	13.62	(10.60)	(2.41)
	Income tax on above	(3.27)	3.05	0.73
	Items that will be reclassified subsequently to restated consolidated statement of profit or loss			
	Exchange loss on translation of financial statements of foreign operations	(148.11)	(110.77)	(2.83)
	Total Other comprehensive Income/(loss) (VIII)	**(137.76)**	**(118.32)**	**(4.51)**
IX	**Restated Total comprehensive income/(Loss) (VII+VIII)**	**(861.14)**	**136.03**	**329.79**
X	**Restated Profit/(loss) for the year attributable to:**			
	Owners of the Company	(723.08)	245.57	334.30
	Non-controlling interests	(0.30)	8.78	-

	Particulars	For the Year ended 31 March, 2021	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
XI	**Restated total comprehensive income/(loss) for the year attributable to:**			
	Owners of the Company	(843.48)	150.86	329.79
	Non-controlling interests	(17.66)	(14.83)	-
XII	**Earnings per share:**			
	(Face value: ₹1 per share)			
	Basic (₹)	(8.13)	2.76	4.00
	Diluted (₹)	(8.13)	2.69	3.67

Restated Consolidated Statement of Cash flows

Amounts in ₹ million, unless otherwise stated

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020	Year ended 31 March, 2019
Cash flows from operating activities			
Restated Profit/(loss) before tax	**(452.92)**	**378.53**	**452.03**
Adjustment for:			
Depreciation and amortisation expense	354.16	195.92	122.68
Finance costs	203.73	86.82	70.11
Interest income	(20.59)	(71.48)	(98.29)
Exceptional Item	407.41	-	-
Share based payment expenses	-	8.97	96.60
Unrealised exchange (gain)/loss	(4.90)	(44.06)	5.15
Loss on sale of property, plant and equipment (net)	12.65	1.71	2.07
Gain on termination of Lease	(3.83)	-	-
Bad debts	3.16	1.28	1.55
Allowances for doubtful debts	-	30.37	37.77
Provision no longer required written back	(5.06)	(1.47)	-
Operating profit before working capital changes	**493.81**	**586.59**	**689.67**
Movements in working capital			
Adjustment for (increase) / decrease in operating assets:			
Inventories	118.54	(354.34)	(278.97)
Trade Receivables and other assets	123.95	(607.86)	(787.47)
Adjustment for increase / (decrease) in operating liabilities:			
Trade Payables and other liabilities	(169.40)	383.40	259.71
Cash generated/(used in) operating activities	**566.90**	**7.79**	**(117.06)**
Net income tax paid	(103.38)	(139.31)	(247.60)
Net cash generated/(used in) operating activities (A)	**463.52**	**(131.52)**	**(364.66)**
Cash flows from investing activities			
Payment for purchase of property, plant & equipment	(308.33)	(541.51)	(280.44)
Proceeds from sale of property, plant and equipment	25.05	7.70	0.26
Payment towards acquisition of business	(1,751.36)	(521.37)	-
Loans given to third party	-	(2.50)	(17.50)
Proceeds from loan given to third party	12.39	12.73	18.23
Bank deposits (placed)/withdrawn (net)	134.63	1,138.30	(557.57)
Interest received	22.55	96.61	87.47
Net cash generated/(used in) investing activities (B)	**(1,865.07)**	**189.96**	**(749.55)**
Cash flows from financing activities			
Proceeds from call made on partly issued shares	-	-	787.00
Proceeds/(Repayment) of short-term borrowings (net)	(487.40)	233.00	488.29
Proceeds from long-term borrowings	2,925.62	-	13.37
Repayment of long-term borrowings	(65.75)	(69.71)	(25.27)
Payment of lease liabilities (principal)	(51.19)	(29.44)	(15.41)
Payment of lease liabilities (interest)	(7.83)	(7.36)	(5.83)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020	Year ended 31 March, 2019
Finances costs paid	(196.38)	(79.05)	(64.20)
Net cash generated from financing activities (C)	**2,117.07**	**47.44**	**1,177.95**
Net increase in cash and cash equivalents (A+B+C)	**715.52**	**105.88**	**63.74**
Cash and cash equivalents at the beginning of the year	229.87	103.91	40.45
Cash and cash equivalents acquired consequent to business combination	201.75	16.19	-
Less: Unrealised exchange gain/(loss) on cash and cash equivalents	(20.72)	3.89	(0.28)
Cash and cash equivalents at the end of the year	**1,126.42**	**229.87**	**103.91**
Reconciliation of cash and cash equivalents			
Closing balance of cash and cash equivalent as per Restated Consolidated Statement of Assets and Liabilities	1,126.42	229.87	103.91
Cash and cash equivalents at the end of the year	**1,126.42**	**229.87**	**103.91**

THE OFFER

The following table summarises details of the Offer.

Offer of Equity Shares	Up to [●] Equity Shares aggregating up to ₹ 15,000 million
Of which:	
Fresh Issue[(1)(3)]	Up to [●] Equity Shares aggregating up to ₹ 4,103.30 million
Offer for Sale[(2)] by the Selling Shareholders	Up to [●] Equity Shares aggregating up to ₹ 10,896.70 million
The Offer consists of:	
A. QIB Portion[(4) (5)]	Not less than [●] Equity Shares
Of which:	
Anchor Investor Portion	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
Of which:	
Mutual Fund Portion (5% of the Net QIB Portion)	Up to [●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares
B. Non-Institutional Portion[(5)]	Not more than [●] Equity Shares
C. Retail Portion[(5)]	Not more than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	8,89,04,343 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds of this Offer	See "*Objects of the Offer*" on page 87 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

(1) Our Board has authorised the Fresh Issue, pursuant to its resolution dated September 16, 2021. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution dated September 18, 2021.

(2) Each Selling Shareholder, severally and not jointly, confirms that its respective portion of the Offered Shares have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI, and are accordingly eligible for being offered for sale in the Offer in terms of the SEBI ICDR Regulations. For more details, see "Capital Structure" beginning on page 74. Each Selling Shareholder has confirmed and approved its participation in the Offer for Sale as set out below:

S. No.	Selling Shareholder	Number of Equity Shares offered in the Offer for Sale	Aggregate amount of Offer for Sale (up to) (in ₹ million)	Date of board resolutions	Date of consent letter
1.	Dhirajkumar S. Vasoya	[●]	1,000	-	September 27, 2021
2.	Shree Hari Trust	[●]	337.50	-	September 27, 2021
3.	Samara Capital Markets Holding Limited	[●]	6,355.60	September 22, 2021	September 27, 2021
4.	NHPEA Sparkle Holding B.V.	[●]	3,203.60	September 15, 2021	September 27, 2021

(3) Our Company, in consultation with the BRLMs, is considering a Pre-IPO Placement of such number of Equity Shares for cash consideration aggregating up to ₹ 1,850 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to compliance with the minimum offer size requirements prescribed under regulation 19(2)(b) of the SCRR.

(4) Our Company and Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for any Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion

and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Offer Procedure" on page 340.

(5) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange. In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will first be made pro rata towards Equity Shares offered by Selling Shareholders, and thereafter, towards the balance Fresh Issue. For further details, see "Terms of the Offer" on page 332.*

Allocation to Bidders in all categories, except the Retail Portion and Anchor Investor Portion, if any, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The Allocation to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For further details, see "*Offer Procedure*" beginning on page 340.

GENERAL INFORMATION

Our Company is presently known as 'Sahajanand Medical Technologies Limited'. Our Registered Office is located at Sahajanand Estate, Wakharia Wadi, NR. Dabholi Char Rasta, Nani Ved, Ved road, Surat, Gujarat – 395 004, India and our Corporate Office is located at 221, C – Wing, Kanakia Atrium, Andheri – Kurla Road, AAI Colony, J B Nagar, Andheri East, Mumbai, Maharashtra – 400 059. The registration number of our Company is 040121 and our CIN is U33119GJ2001PLC040121. Our Company is registered with the Registrar of Companies, Gujarat, located at Ahmedabad.

For details of changes in the name and registered office address of our Company, see '*History and Certain Corporate Matters*' on page 185.

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Gujarat, situated at the following address:

Registrar of Companies
ROC Bhavan, Opposite Rupal Park Society
Behind Ankur Bus Stop, Naranpura
Ahmedabad – 380013, Gujarat

Board of Directors

The table below sets forth the details of the constitution of our Board:

Name	Designation	DIN	Address
Dhirajlal Vallabhbhai Kotadia	Chairman	00013035	Plot no. 43-48, Narayanmuni Nagar Society, Ved Road, Surat 395 004
Bhargav Dhirajlal Kotadia	Managing Director	06575042	Plot no. 43-48, Narayanmuni Nagar Society, Nani Ved, Ved Road, Surat 395 004
Abhishek Rajendrakumar Kabra	Non-executive Director	06782685	205, Grandeur Tower, Vasant Marvel Complex, Off W.E.H, Borivali East, Mumbai 400 066
Jose Calle Gordo	Non-executive Director	08568779	Queen Anne House, 11 Eaton Park, Cobham, Surrey KT112JF
Lalit Chandra Reddy	Non-executive Independent Director	08101508	17/9-A Cambridge Road, 2nd Cross, Halasuru, Bangalore 560 008
Ranjal Laxmana Shenoy	Non-executive Independent Director	00074761	A/2, Kamdar Park Housing Society Limited, Off Gokhale Road, Near Agar Bazar, Dadar West, Mumbai – 400 028
Shukla Wassan	Non-executive Independent Director	02770898	D 214, The Belaire, DLF City, Phase-V, Gurgaon – 122 011
Vandana Bharat Patravale	Non-executive Independent Director	09200693	C-15 Divine Light CHS, 137/139 M V Road, Andheri East, Mumbai 400 093

For brief profiles of our Directors, please see "*Our Management*" on page 196.

Company Secretary and Compliance Officer for the Offer

Flora Das is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Sahajanand Estate
Wakhariawadi, Near Dabholi,
Ved Road, Surat – 395 004, GJ, India
E-mail: investors@smt.in
Tel: +91 261 6112800

Statutory Auditors of our Company

Deloitte Haskins & Sells LLP Chartered Accountants
One International Centre, 32nd Floor, Tower 3
Senapati Bapat Marg
Elphinstone Mill Compound
Elphinstone (W)
Mumbai – 400 013, India
Tel.: +91 22 6185 4000
E-mail: mujain@deloitte.com
ICAI Firm Registration Number: 117366W/W-100018
Peer Review Number: 013179

Changes in Statutory Auditors

There has been no change in the Statutory Auditors during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Book Running Lead Managers

Axis Capital Limited
1st floor, Axis House
C-2 Wadia International Centre
P.B. Marg, Worli
Mumbai 400 025
Tel.: +91 22 4325 2183
E-mail: smt.ipo@axiscap.in
Investor grievance e-mail: complaint@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Pratik Pednekar/Akash Aggarwal
SEBI Registration: INM000012029

BofA Securities India Limited
Ground Floor, "A" Wing, One BKC, "G" Block,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051
Tel: +91 22 6632 8000
E-mail: dg.smt_ipo@bofa.com
Investor Grievance E-mail:
dg.india_merchantbanking@bofa.com
Contact Person: Sweta Birdika
Website: www.ml-india.com
SEBI Registration Number: INM000011625

Edelweiss Financial Services Limited
6th Floor, Edelweiss House
Off C.S.T. Road, Kalina, Mumbai
400 098, Maharashtra, India
Tel: +91 22 4009 4400
E-mail: smt.ipo@edelweissfin.com
Investor Grievance ID:
Customerservice.mb@edelweiss.in
Website: www.edelweissfin.com
Contact Person: Lokesh Shah
SEBI Registration: INM0000010650

UBS Securities India Private Limited
2/F, 2 North Avenue
Maker Maxity
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400 051, India
Tel: +91 22 6155 6000
E-mail: ol-smtipo@ubs.com
Investor Grievance ID: igindia@ubs.com
Website: www.ubs.com/indianoffers
Contact Person: Aditya Singh
SEBI Registration Number: INM000010809

Statement of inter-se allocation of responsibilities among the BRLMs

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

Sr. No.	Activity	Responsibility	Co-ordinator
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/ management/ business plans/ legal etc. Drafting and design of the Draft Red Herring Prospectus and of statutory advertisements including a memorandum containing salient features of the Prospectus. The Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	All BRLMs	Axis
2.	Drafting and approval of all statutory advertisement	All BRLMs	Axis
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	All BRLMs	UBS

Sr. No.	Activity	Responsibility	Co-ordinator
4.	Appointment of Registrar to the Offer, Advertising Agency and Printer to the Offer including co-ordination for their agreements.	All BRLMs	Axis
5.	Appointment of all other intermediaries and including co-ordination for all other agreements.	All BRLMs	Edelweiss
6.	Preparation of road show presentation and FAQs	All BRLMs	UBS
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • Finalizing the list and division of international investors for one-to-one meetings • Finalizing international road show and investor meeting schedules	All BRLMs	BofA Securities
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Finalizing the list and division of domestic investors for one-to-one meetings • Finalizing domestic road show and investor meeting schedules	All BRLMs	Axis
9.	Conduct non-institutional marketing of the Offer, which will cover, *inter-alia*: • Finalising media, marketing and public relations strategy • Formulating strategies for marketing to Non-Institutional Investors	All BRLMs	Axis
10.	Conduct retail marketing of the Offer, which will cover, *inter-alia*: • Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows • Finalising collection centres • Finalising centres for holding conferences for brokers etc. • Finalising commission structure • Follow-up on distribution of publicity and Offer material including form, RHP/ Prospectus and deciding on the quantum of the Offer material	All BRLMs	Edelweiss
11.	Managing anchor book related activities and submission of letters to regulators post completion of anchor allocation, book building software, bidding terminals and mock trading, payment of 1% security deposit to the designated stock exchange.	All BRLMs	UBS
12.	Managing the book and finalization of pricing in consultation with the Company.	All BRLMs	BofA Securities
13.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI.	All BRLMs	Edelweiss

Registrar to the Offer

Link Intime India Private Limited
C 101, 247 Park, L. B. S. Marg
Vikhroli (West), Mumbai 400 083
Tel: +91 22 4918 6200
E-mail: smt.ipo@linkintime.co.in
Investor grievance e-mail: smt.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Legal Counsel to our Company as to Indian law

IndusLaw
2nd Floor
Block D, The MIRA
Mathura Road
New Delhi – 110 065
Tel: +91 11 4782 1000

Legal Counsel to the Book Running Lead Managers as to Indian law

Trilegal
Peninsula Business Park
17th Floor, Tower B
Ganpat Rao, Kadam Marg
Lower Parel (West)
Mumbai 400 013
Tel: +91 22 4079 1000

International Legal Counsel to the Managers

Allen & Overy (Asia) Pte Ltd
50 Collyer Quay
09-01 OUE Bayfront
Singapore 049321
Tel: +65 6671 6000

Legal Counsel to Dhirajkumar S. Vasoya, Shree Hari Trust and Samara Capital Markets Holding Limited as to Indian law

IndusLaw
#1502B, 15th Floor,
Tower – 1C, "One World Centre"
Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Maharashtra, India
Tel: +91 22 4920 7200

Legal Counsel to NHPEA Sparkle Holding B.V. as to Indian law

Shardul Amarchand Mangaldas & Co
Express Towers, 24th Floor
Nariman Point

Mumbai 400 021
Maharashtra, India
Tel: +91 22 4933 5555

Bankers to our Company

Standard Chartered Bank
Crescenzo, 6th Floor, C – 38 & 39, G-Block, Bandra Kurla Complex, Bandra (East) Mumbai – 400051
Tel.: +91 22 4265 8085
E-mail: Lahiri.ujjal@sc.com
Website: www.sc.com
Contact Person: Ujjal Lahiri

HDFC Bank Limited
HDFC Bank House, Senapati Bapat Marg, Lower Parel (W) Mumbai, 400013
Tel.: 022 3395 8000
E-mail: Milan.wani@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Milan Wani

Syndicate Members

[●]

Escrow Collection Bank(s)/ Refund Bank(s)/Public Offer Account Bank

[●]

Sponsor Bank

[●]

Designated Intermediaries

Self Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RII using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs eligible as Issuer Banks and mobile applications enabled for the UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIIs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35, which may be and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do? Do Recognised=yes & in

tm Id=35 or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers, eligible to accept ASBA forms, including details such as postal address, telephone number, and email address, is provided on the websites of BSE and NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm,respectively, or such other websites as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number, and e-mail address, are provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Credit Rating

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

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As this is an offer of Equity Shares, there are no debenture trustees appointed for the Offer.

Monitoring Agency

Our Company will appoint the monitoring agency in compliance with the SEBI ICDR Regulations, prior to filing of the Red Herring Prospectus. For details, see "*Objects of the Offer – Monitoring of Utilisation of Funds*" on page 95.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity is appointed for the Offer.

Filing

A copy of this Draft Red Herring Prospectus has been filed through the SEBI Intermediary Portal at https://sipotal.sebi.gov.in, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/ 011 dated January 19, 2018 and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on

March 27, 2020, in relation to "*Easing of Operational Procedure – Division of Issues and Listing – CFD*". Further, a physical copy of this Draft Red Herring Prospectus will be filed at:

Securities and Exchange Board of India
Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under section 32 of the Companies Act, 2013, will be filed with the RoC and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office, and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

"Book building" refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot will be decided by our Company and the Selling Shareholders in consultation with the BRLMs, and advertised in all editions of the English national daily newspaper the [●], all editions of the Hindi national daily newspaper [●], and [●] edition of the Gujarati daily newspaper [●] (Gujarati being the regional language of Gujarat wherein our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Offer Price shall be determined by our Company and the Selling Shareholders in consultation with the BRLMs, after the Bid/ Offer Closing Date.

All Bidders, other than Anchor Investors, shall participate in the Offer mandatorily through the ASBA process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Bank, as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Retail Individual Investors may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis.

For further details, see "*Terms of the Offer*", "*Offer Structure*" and "*Offer Procedure*" on pages 332, 337 and 340 respectively.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. Each Selling Shareholder specifically confirms that it will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to such Selling Shareholder, in relation to its respective portion of the Offered Shares. In this regard, our Company and the Selling Shareholders have appointed the BRLMs to manage this Offer and procure Bids for this Offer.

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

Bidders should note the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock

Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after the Prospectus is filed with the RoC.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure*" on page 340.

Underwriting Agreement

After the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC, the Selling Shareholders and our Company intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares. It is proposed that pursuant to the terms of the Underwriting Agreement, each of the BRLMs shall be severally responsible for bringing in the amount devolved in the event the respective Syndicate Member do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

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

(This portion has been intentionally left blank and will be completed before the filing of the Prospectus with the RoC.)

Name, address, telephone number and email address of the Underwriters	Indicative Number of Equity Shares to be underwritten	Amount underwritten (₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned amount is indicative and will be finalised after determination of the Offer Price and finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

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

In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The Underwriting Agreement has not been entered into as on the date of this Draft Red Herring Prospectus. The Underwriting Agreement shall be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

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

(In ₹, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at offer price*
(A)	**AUTHORISED SHARE CAPITAL[(a)]**		
	150,000,000 Equity Shares of face value of ₹ 1 each	150,000,000	-
(B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	88,904,343[(e)] Equity Shares of face value of ₹ 1 each	88,904,343[(e)]	-
(C)	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares aggregating up to ₹ 15,000 million[(b)(c)]	[●]	[●]
	Comprising:		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,103.30 million[(b)(d)]	[●]	[●]
	Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 10,896.70 million by the Selling Shareholders[(c)]	[●]	[●]
(D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹ 1 each*	[●]	[●]
(E)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer (in ₹ million)		2,625.33
	After the Offer* (in ₹ million)		[●]

* *To be included upon determination of the Offer Price.*

(a) For details in relation to the changes in the authorised share capital of our Company, see "History and Certain Corporate Matters - Amendments to our MoA" on page 185.

(b) Our Board has authorised the Offer, pursuant to its resolution dated September 16, 2021. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution dated September 18, 2021.

(c) Each Selling Shareholder, severally and not jointly confirms that its respective portion of the Offered Shares has been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI and are accordingly, eligible for being offered for sale in the Offer in terms of the SEBI ICDR Regulations. Each of the Selling Shareholders have confirmed their participation in the Offer for Sale. For details on the authorization by the Selling Shareholders in relation to the Offered Shares, see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 64 and 321.

(d) Our Company may, in consultation with the BRLMs, consider a Pre-IPO Placement of such number of Equity Shares for cash consideration aggregating up to ₹ 1,850 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is undertaken, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement subject to compliance with the minimum offer size requirements prescribed under Regulation 19(2)(b) of the SCRR.

(e) Pursuant to a Board resolution dated September 18, 2021 and resolution of our Shareholders dated September 21, 2021, our Company has approved the issuance of 4,200,000 Equity Shares to the SMT ESOP Trust. The allotment of such Equity Shares shall be made prior to the filing of the Red Herring Prospectus.

Notes to the Capital Structure

1. Share Capital History

A. History of equity share capital of our Company

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

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
October 18, 2001	500,000	10	10	Cash	Allotment pursuant to initial subscription to the Memorandum of Association[(1)]	500,000	5,000,000

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
March 27, 2003	1,850,000	10	10	Cash	Private Placement[(2)*]	2,350,000	23,500,000
March 28, 2003	1,050,000	10	10	Cash	Private Placement[(3)*]	3,400,000	34,000,000
September 30, 2003	25,500	10	10	Cash	Private Placement[(4)*]	3,425,500	34,255,000
March 31, 2004	50,000	10	10	Cash	Private Placement[(5)*]	3,475,500	34,755,000
November 28, 2005	Sub-division of Equity Shares[(6)]					34,755,000	34,755,000
May 12, 2006	13,902,000	1	-	-	Bonus issue of two Equity Shares for every five Equity Shares held[(7)]	48,657,000	48,657,000
March 20, 2009	726,700	1	4	Cash	Further issue[*(8)]	49,383,700	49,020,350
May 15, 2009	Pursuant to Equity Shares being made fully paid up, our cumulative paid-up Equity Share Capital increased to ₹ 49,383,700[(8)]						
December 27, 2016	9,406,419	1	42.52	Cash	Private placement[(9)]	58,790,119	58,790,119
December 28, 2017	13,717,421	1	51.03	Cash	Private placement[(10)]	72,507,540	72,507,540
January 3, 2018	16,396,803	1	97.58	Cash	Private placement[(11)]	88,904,343	80,705,941
October 27, 2018	Pursuant to Equity Shares being made fully paid up, our cumulative paid-up Equity Share Capital increased to ₹ 88,904,343[(11)]						

* *We have been unable to trace copies of the resolutions(s) passed by our Board and/or Shareholders, wherever applicable, in relation to these allotments of equity shares and consequently, are unable to ascertain the nature of these allotments. For certain allotments, reliance has been placed on certain prior auditors' reports to disclose the nature of the allotments. Further, Kaushal Doshi & Associates, Practicing Company Secretary, has conducted an independent search at the RoC office and submitted a report dated September 23, 2021, and the aforementioned resolutions have not been retrieved through this independent search. For more details, see "Risk Factors – We have been unable to locate certain of our historical corporate records." on page 32.*

(1) *Subscription to 225,000 equity shares by Sharadaben Dhirajlal Kotadia, 50,000 equity shares by Rajesh Laljibhai Vaishnav, 200,000 equity shares by Dhirajlal Vallabhai Kotadia, 10,000 equity shares by Dhirajkumar Savjibhai Vasoya, 5,000 equity shares by Vinod Savjibhai Vasoya, 5,000 equity shares by Jitendra V. Kotadia and 5,000 equity shares by Naynaben Dhirajkumar Vasoya. The date of subscription to the Memorandum of Association of our Company is October 3, 2001.*

(2) *Allotment of 1,200,000 equity shares to Dhirajlal Vallabhai Kotadia, 50,000 equity shares to Manish Doshi and 600,000 equity shares to Sharadaben Dhirajlal Kotadia.*

(3) *Allotment of 1,050,000 equity shares to Sharadaben Dhirajlal Kotadia.*

(4) *Allotment of 1,000 equity shares to Debadi Prasad Roy, 4,000 equity shares to Rahul Gaywala, 2,500 equity shares to Yawar Pothiawala, 5,000 equity shares to Hitesh Vachhani, 3,000 equity shares to Jayantilal Vaghasia, 2,000 equity shares to Vallabhai M. Narola, 3,000 equity shares to Dinesh L. Jiyani and 5,000 equity shares to Manish Patel.*

(5) *Allotment of 50,000 equity shares to Daljitsingh Gambhir.*

(6) *Our Company has, pursuant to the Shareholders' resolution dated November 28, 2005, sub-divided equity shares of face value of ₹ 10 each to Equity Shares of face value of ₹ 1 each. Accordingly, the number of issued and paid-up equity shares of our Company was sub-divided from 3,475,500 equity shares of ₹ 10 each to 34,755,000 Equity Shares of ₹ 1 each.*

(7) *Allotment of 7,500,000 Equity Shares to Sharadaben Dhirajlal Kotadia, 3,303,600 Equity Shares to Dhirajlal Vallabhai Kotadia, 600,000 Equity Shares to Dhirajkumar Savjibhai Vasoya, 598,200 Equity Shares to Vinod Savjibhai Vasoya, 20,000 Equity Shares to Jitendra V. Kotadia, 96,000 Equity Shares to Naynaben Dhirajkumar Vasoya, 590,200 Equity Shares to Manish Doshi, 4,000 Equity Shares to Debadi Prasad Roy, 16,000 Equity Shares to Rahul Gaywala, 10,000 Equity Shares to Yawar Pothiawala, 20,000 Equity Shares to Hitesh Vachhani, 12,000 Equity Shares to Jayantilal Vaghasia, 8,000 Equity Shares to Vallabhai M. Narola, 20,000 Equity Shares to Manish Patel, 4,000 Equity Shares to Sahajanand Technologies Private Limited, 4,000 Equity Shares to Nayalkaran Industries Private Limited, 200,000 Equity Shares to Daljeet Singh Gambhir, 800,000 Equity Shares to Aparna Doshi and 96,000 Equity Shares to Vasantben Vasoya.*

(8) *Allotment of 50,000 Equity Shares to Martin B. Leon, 20,000 Equity Shares to Subodhchandra Purshottamdas Adeshara, 1,400 Equity Shares to Abidali Husenmiya Kadari, 300 Equity Shares to Vipul Balashankar Mehta, 500 Equity Shares to Neha Ravi Raval, 700 Equity Shares to Jigar Vyas, 6,000 Equity Shares to Kurella Rajashekar jointly with Kurella Anitha, 1,500 Equity Shares to Amod Vijay Bhave, 250 Equity Shares to Neeta Dilipkumar Vyas, 250 Equity Shares to Nitixa Vipul Randeria, 5,000 Equity Shares to Jatin Mafatlal Tikiwala jointly with Pratiksha J. Tikiwala, 2,000 Equity Shares to Kaushal Kishor Shroff, 1,800 Equity Shares to Satyajit Akhil Roy, 800 Equity Shares to Indranil Tanay Moitra, 1,900 Equity Shares to Vinodkumar Hiralal Pathak jointly with Alkaben V. Pathak, 900 Equity Shares to K. Srinivas Reddy jointly with K. Anitha Srinivas Reddy, 2,000 Equity Shares to Piyush B. Savalia, 250 Equity Shares to Mahesh Devjibhai Hirpara, 2,900 Equity Shares to Hemangi G. Tamboli jointly with Gaurang P. Tamboli, 250 Equity Shares to Alifiya Shabbir Tinwala, 7,400 Equity Shares to Babu Sudhir Roy, 1,000 Equity Shares to Yogesh Anil Dhupkar, 1,100 Equity Shares to Sailendra K.*

Chauhan, 700 Equity Shares to Ashwin Natwarlal Parikh, 1,500 Equity Shares to Kamal Kirtikumar Revdiwala, 2,500 Equity Shares to Suresh Jetabhai Jethwa, 3,300 Equity Shares to Jignesh Ranjitkumar Gheewala, 5,000 Equity Shares to Deveshkumar Mahendralal Kothwala, 2,100 Equity Shares to Suresh Bhikhabhai Sidhpara, 1,250 Equity Shares to Himanshu J. Patel jointly with Pragna H. Patel, 500 Equity Shares to Virupil Manoj Kumaran jointly with Savitri V. Manoj, 3,300 Equity Shares to Mitix Chandrakantbhai Kapadia jointly with Vaishali Mitix Kapadia, 2,000 Equity Shares to Manuel Joseph Williams, 3,000 Equity Shares to Suresh K. Prajapati, 2,000 Equity Shares to Kaushik N. Kapadia jointly with Kalpana K. Kapadia, 7,200 Equity Shares to Bhagyesh Ashok Gaiwala jointly with Amee Bhagyesh Gaiwala, 500 Equity Shares to Bhairav Jyotindra Vyas, 250 Equity Shares to Yatin Sonani, 300 Equity Shares to Sudhir More, 1,000 Equity Shares to Arpit Bhupendrabhai Jariwala jointly with Ami Arpit Jariwala, 1,000 Equity Shares to Ami Arpit Jariwala jointly with Arpit Bhupendrabhai Jariwala, 1,000 Equity Shares to Devang B. Trivedi, 400 Equity Shares to Mehul Kishorbhai Patel, 1,500 Equity Shares to Nilesh S. Kadu, 2,500 Equity Shares to Ankur Jaykumar Raval jointly with Ami Ankur Raval, 1,500 Equity Shares to Chhaya Babubhai Engineer jointly with Nirmalaben Khushalbhai Parmar, 900 Equity Shares to J Jegan, 1,000 Equity Shares to E. Krishnan, 300 Equity Shares to Vikas D. Dhotre, 7,400 Equity Shares to Haresh Dhirajlal Kotadia jointly with Manisha Haresh Kotadia, 1,000 Equity Shares to Jaynish Vijaykumar Tailor, 15,500 Equity Shares to Dinesh Ravjibhai Chauhan jointly with Rekha Dinesh Chauhan and Drashti Dinesh Chauhan, 7,300 Equity Shares to Jitendra Vallabhai Kotadia jointly with Bhartiben Jitendra Kotadia, 2,500 Equity Shares to Tarunkumar Ajaybhai Barua jointly with Rupa Tarunkumar Barua, 500 Equity Shares to Ketan Chhaganbhai Nariya jointly with Vanita Ketan Nariya, 7,500 Equity Shares to Mansukhbhai Devshibhai Rudani jointly with Kanhanben Rudani and Praskhant Rudani, 2,500 Equity Shares to Brijesh B. Ranoliya jointly with Parul B. Ranoliya, 500 Equity Shares to Priyank Harishkumar Modi jointly with Kashmiraben Harishkumar Modi, 1,500 Equity Shares to Kalpesh Harshadray Jani jointly with Vruna Kalpesh Jani, 800 Equity Shares to Jignesh Babubhai Patel jointly with Ramilaben Babubhai Patel, 2,500 Equity Shares to Bhavin Arvindbhai Naik jointly with Arvinbhai Bhikubhai Naik, 900 Equity Shares to Udaykumar Dhirubhai Patel jointly with Dhirubhai Ramabhai Patel, 500 Equity Shares to Hareshkumar Kanubhai Shingala jointly with Ripal Hareshkumar Shingala, 400 Equity Shares to Farendra Singh Purushottam Singh Tomar jointly with Sumandevi Tomar, 400 Equity Shares to Vinodkumar Srivastav jointly with Pinky Srivastav, 1,700 Equity Shares to Vinod R. Rathod jointly with Rambhabhusinh Rathod and Shantidevi Rathod, 800 Equity Shares to Vijay Manubhai Patel jointly with Manubhai Morabhai Patel, 900 Equity Shares to Pragnesh Keshavbhai Thakor jointly with Ansuya Pragnesh Thakor, 500 Equity Shares to Hemant Janardhan Mhatre jointly with Hetal Hemant Mhatre and Janardhan Tukaram Mhatre, 800 Equity Shares to Jetankumar Rameshbhai Patel jointly with Rameshbhai Jivanbhai Patel, 1,000 Equity Shares to Kirtan Rameshbhai Patel jointly with Maniben Rameshbhai Patel, 700 Equity Shares to Bignesh Manubhai Patel jointly with Manubhai Chibabhai Patel and Gangaben Manubhai Patel, 1,000 Equity Shares to Shailesh Ramubhai Patel jointly with Ramubhai Nanabhai Patel, 700 Equity Shares to Kamleshbhai Naginbhai Patel jointly with Jagrutiben Kamleshbhai Patel, 250 Equity Shares to Nimesh Subhashbhai Bhavsar, 400 Equity Shares to Meghjibhai Ladhabhai Chauhan, 100 Equity Shares to Dipak Arvindbhai Patel jointly with Arvindbhai Ranchhodbhai Patel, 300 Equity Shares to Nilesh Dattatrey Mhatre, 200 Equity Shares to Yogesh Gajanand Tople, 500 Equity Shares to Manish Prasad jointly with Mrs. Sheeladevi, 500 Equity Shares to Anil Kalubhai Savliya jointly with Kalubhai Mulajibhai Savliya, 400 Equity Shares to Aruna Ishwarbhai Patel jointly with Ishwarbhai Ranchhodbhai Patel, 1,000 Equity Shares to Amit Ishwarbhai Patel jointly with Niruben Ishwarbhai Patel, 500 Equity Shares to Sandip Balasaheb Waknis jointly with Balasaheb Pandharinath Waknis, 400 Equity Shares to Jitendra Machhindra Harale jointly with Machhindra Darikhan Harale, 1,400 Equity Shares to Ashokkumar Suryakant Thakkar, 1,000 Equity Shares to Sandip Manharbhai Patel jointly with Manharbhai B. Patel, 500 Equity Shares to Mehul Babubhai Patel jointly with Trupti Mehul Patel, 700 Equity Shares to Rajan Sharma jointly with Sonia Sharma, 700 Equity Shares to Sumana Malik, 1,300 Equity Shares to Balvinder Singh Bindra, 1,500 Equity Shares to Kumud Vyas, 20,000 Equity Shares to Jyoti Prakash Dutta jointly with Devi Dutta and Debojyoti Dutta, 2,000 Equity Shares to Sanjay Kumar Raina, 500 Equity Shares to Ghanshyam Bhai jointly with Parashotam Bhai Guna, 500 Equity Shares to B. Santosh Kumar, 200 Equity Shares to Nakka Suresh, 500 Equity Shares to Vinod Dalal, 800 Equity Shares to Vijendra Soni jointly with Vijay Kaur Soni, 3,000 Equity Shares to Sridhar Rauipati, 700 Equity Shares to Sanjeev Kumar, 300 Equity Shares to Mahantesh S. Kallatti jointly with Suman M. Kallatti, 1,500 Equity Shares to Dr. Ramila Mandal jointly with Debmallya Mandal, 3,200 Equity Shares to Nilesh Kadu, 400 Equity Shares to Mahesh Sudhakar Narkhede, 800 Equity Shares to Chotaliya Rakesh Bhagvanjibhai, 2,600 Equity Shares to Chintan Kapadia, 300 Equity Shares to Shasi Kumar S. jointly with Bharathi S., 5,100 Equity Shares to Patil Navnath Nimba jointly with Patel Bharti Navnath, 900 Equity Shares to Nilesh M. Patel jointly with Ramilaben M. Patel, 5,000 Equity Shares to Chetan Patel jointly with Bhumika Patel, 4,300 Equity Shares to Premal Shantilal Jariwala jointly with Roshni Premal Jariwala, 250 Equity Shares to Yogesh S. Patel, 2,400 Equity Shares to Patel Kirtikumar Mansukhbhai, 1,100 Equity Shares to Hetal Asarawala jointly with Nikhil G. Patel, 1,100 Equity Shares to Nikhil G. Patel jointly with Hetal Asarawala, 100 Equity Shares to Sunil Sambhaji Patil, 250 Equity Shares to Jani Mehul Balvantrai jointly with Jani Balvantrai Gopalji, 250 Equity Shares to Nilesh Govindbhai Patel jointly with Govindbhai Ravjibhai Patel, 1,500 Equity Shares to Pradeep K. Upadhyay jointly with Richa P. Upadhyay, 100,000 Equity Shares to Rahul M. Gaywala jointly with Anita R. Gaywala,, 50,000 Equity Shares to Vallabhai Mohanbhai Narola jointly with Rambhaben Vallabhai Narola, 20,000 Equity Shares to Harsha Atul Abhyankar, 20,000 Equity Shares to Alka Manoj Rabadiya jointly with Manoj Karsan Rabadiya, 15,500 Equity Shares to Jayanti Kanubhai Vaghasia jointly with Dipti Jayanti Vaghasia, 15,000 Equity Shares to Ramniklal Lavjibhai Thesia, 5,000 Equity Shares to S. Rajendran, 20,000 Equity Shares to Naveen Maheshwari, 20,000 Equity Shares to Ashit Kumar Sanghrajka, 5,000 Equity Shares to Dr. Debabrata Roy, 5,000 Equity Shares to Dr. Shuvanan Ray, 5,000 Equity Shares to Dr. K Narasimha Reddy, 20,000 Equity Shares to Vandana Bharat Patravale jointly with Bharat Surendra Patravale, 20,000 Equity Shares to Damera Seshasirirao jointly with Damera Vijayalaxmi, 20,000 Equity Shares to K.V. Chalpathi Reddy jointly with K. Madhavi, 10,000 Equity Shares to Dr. Sameer Indravadani Dani, 10,000 Equity Shares to Kishorbhai Devshibhai Rudani jointly with Bhartiben Kishorbhai Rudani, 7,000 Equity Shares to Kishor Dhirajlal Dudhat jointly with Jigneshkumar Harendrabhai Jani and Narendra Nanubhai Dudhat, 10,500 Equity Shares to Bharatbhai Chhaganbhai Dobariya jointly with Prakashkumar Vallabhai Patel and Paida Ghanshyam Jayantilal, 10,500 Equity Shares to Denish Somabhai Patel jointly with Anand Jayantilal Palsanawala and Ikshit Vinodbhai Shastri, 9,000 Equity Shares to Nikunj Jayantibhai Patel jointly with Ravi M. Jariwala and Amit A. Tailor, 8,000 Equity Shares to Kruti R. Kansara jointly with Mathur Preeti Balraj and Mr. Suman Sarkar, 14,000 Equity Shares to Gajjar Munjalkumar Dhirajlal jointly with Dharmesh Ishwerbhai Patel and Mangesh Sudhakar Narkhede, 3,000 Equity Shares to Suketu Chandulal Mangukia jointly with Monpara Jaydev Jayantilal and Vaishnabi Piyush Himmatbhai, 8,500 Equity Shares to Savaliya Kaushik J. jointly with Navali Sunil Sopan, 5,000 Equity Shares to Varughese George and 5,000 Equity Shares to Dr. Ashish Dubey. These Equity Shares were partly paid up at the time of allotment and fully paid up on May 15, 2009. 116 of the allottees (first holders) were employees of our Company (as on the date of the allotment) and were allotted Equity Shares pursuant to the Sahajanand Medical Technologies Private Limited Employees Stock Purchase Scheme, 2009.

(9) *Allotment of 9,406,419 Equity Shares to Samara Capital Markets Holding Limited.*

(10) *Allotment of 13,717,421 Equity Shares to Samara Capital Markets Holding Limited.*

(11) *Allotment of 16,396,803 Equity Shares to NHPEA Sparkle Holding B.V. These Equity Shares were partly paid up as on the date of the allotment and fully paid up on October 27, 2018.*

B. ***Shares issued for consideration other than cash or out of revaluation reserves***

Our Company has not issued any Equity Shares out of revaluation of reserves. Except as set forth below, our Company has not issued any Equity Shares for consideration other than cash or by way of bonus issue:

Date of allotment	Reason/Nature of allotment	Issue price per Equity Share	No. of equity shares allotted	Face value	Benefits accrued to our Company
May 12, 2006	Bonus issue of two Equity Shares for every five Equity Shares held [(1)]	-	13,902,000	1	NA

[(1)] *Allotment of 7,500,000 Equity Shares to Sharadaben Dhirajlal Kotadia, 3,303,600 Equity Shares to Dhirajlal Vallabhai Kotadia, 600,000 Equity Shares to Dhirajkumar Savjibhai Vasoya, 598,200 Equity Shares to Vinod Savjibhai Vasoya, 20,000 Equity Shares to Jitendra V. Kotadia, 96,000 Equity Shares to Naynaben Dhirajkumar Vasoya, 590,200 Equity Shares to Manish Doshi, 4,000 Equity Shares to Debadi Prasad Roy, 16,000 Equity Shares to Rahul Gaywala, 10,000 Equity Shares to Yawar Pothiawala, 20,000 Equity Shares to Hitesh Vachhani, 12,000 Equity Shares to Jayantilal Vaghasia, 8,000 Equity Shares to Vallabhai M. Narola, 20,000 Equity Shares to Manish Patel, 4,000 Equity Shares to Sahajanand Technologies Private Limited, 4,000 Equity Shares to Nayalkaran Industries Private Limited, 200,000 Equity Shares to Daljeet Singh Gambhir, 800,000 Equity Shares to Aparna Doshi and 96,000 Equity Shares to Vasantben Vasoya.*

C. ***Issue of Equity Shares pursuant to schemes of arrangement***

Our Company has not allotted any Equity Shares pursuant to any scheme of arrangement approved under sections 391-394 of the Companies Act, 1956 or sections 230-234 of the Companies Act, 2013, as applicable.

D. ***Issue of Equity Shares at a price lower than the Offer Price in the last year***

Our Company has not issued any Equity Shares which may be lower than the Offer Price during the period of one year preceding the date of this Draft Red Herring Prospectus.

E. ***Issue of Equity Shares under employee stock option schemes***

Other than the allotment of Equity Shares pursuant to the Sahajanand Medical Technologies Private Limited Employees Stock Purchase Scheme, 2009 on March 20, 2009, our Company has not issued any Equity Share under any employee stock option scheme or employee stock purchase scheme.

2. History of build-up of Promoters' shareholding and lock-in of Promoter's shareholding including Promoter's contribution)

As on the date of this Draft Red Herring Prospectus, our Promoters hold, in aggregate, 31,448,581 Equity Shares, which constitute 35.37% of the issued, subscribed and (paid-up) Equity Share capital of our Company. The details regarding our Promoter's shareholding is set out below:

S. No.	Name of Shareholder	Pre- Offer Equity Share capital		Post-Offer Equity Share capital	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
1.	Bhargav Dhirajlal Kotadia	5,000	Negligible[*]	[●]	[●]
2.	Shree Hari Trust	31,443,581	35.37	[●]	[●]
	Total	31,448,581	35.37	[●]	[●]

[*] *Less than 0.01%*

a) ***Build-up of Promoter's shareholding in our Company***

Set forth below is the build-up of our Promoter's equity shareholding since the incorporation of our Company:

Date of allotment/ transfer	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue/ acquisition / transfer price per Equity Share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer Equity Share capital	% of the post-Offer Equity Share capital
Shree Hari Trust							
October 27, 2018	31,224,531	1	-	Other than cash	Transfer of Equity Shares[(1)]	35.12	[●]
July 23, 2019	900	1	-	Other than cash	Transfer of Equity Shares[(2)]	Negligible[*]	[●]
March 25, 2021	218,150	1	-	Other than cash	Transfer of Equity Shares[(3)]	0.25	[●]
Sub-Total (A)	**31,443,581**					35.37	
Bhargav Dhirajlal Kotadia							
October 27, 2016	203,150	1	6	Cash	Transfer of Equity Shares[(4)]	0.23	[●]
October 27, 2016	20,000	1	40	Cash	Transfer of Equity Shares[(5)]	0.02	[●]
March 25, 2021	(218,150)	1	-	Other than cash	Transfer of Equity Shares[(6)]	0.25	[●]
Sub-Total (B)	**5,000**					Negligible[*]	
Total	**31,448,581**					**35.37**	**[●]**
All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.							

[*] *Less than 0.01%*

(1) *Vallabhai Kotadia transferred 31,224,531 Equity Shares to Shree Hari Trust pursuant to a letter dated March 18, 2018 as a gift.*

(2) *Vallabhai Kotadia transferred 900 Equity Shares to Shree Hari Trust pursuant to a letter dated July 22, 2019 as a gift.*

(3) *Vallabhai Kotadia transferred 218,150 Equity Shares to Shree Hari Trust pursuant to a letter dated March 15, 2021 as a gift.*

(4) *Nakka Suresh transferred 200 Equity Shares, Kurella Rajashekar transferred 6,000 Equity Shares, Manish Patel transferred 70,000 Equity Shares, Debadi Prasad Roy transferred 4,000 Equity Shares, Hitesh Vachhani transferred 70,000 Equity Shares, Sunil Sambhaji Patel transferred 100 Equity Shares, Denish Somabhai Patel jointly with Anand Jayantilal Palsanawala and Ikshit Vinodbhai Shastri transferred 3,000 Equity Shares, Ashit Kumar Sanghrajka transferred 20,000 Equity Shares, Naveen Maheswari transferred 20,000 Equity Shares, Ashish Dubey transferred 5,000 Equity Shares, Rajan Sharma 700 Equity Shares, B. Santosh Kumar transferred 500 Equity Shares, Sumana Malik transferred 700 Equity Shares, Hetal Asarawala transferred 1,100 Equity Shares, Nikhil G. Patel transferred 1,100 Equity Shares, Vinod Dalal transferred 500 Equity Shares and Yogesh S. Patel transferred 250 Equity Shares to Bhargav Dhirajlal Kotadia.*

(5) *Damera Seshasirirao jointly with Damera Vijayalaxmi transferred 20,000 Equity Shares to Bhargav Dhirajlal Kotadia.*

(6) *Bhargav Dhirajlal Kotadia transferred 218,150 Equity Shares to Vallabhai Kotadia pursuant to a gift deed dated March 10, 2021.*

As of the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged or are otherwise encumbered.

b) Shareholding of our Promoters and the members of our Promoter Group

Set forth below is the equity shareholding of our Promoters and Promoter Group as on the date of this Draft Red Herring Prospectus:

S. no.	Name of shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares	Percentage of post-Offer capital
	Promoters				
1.	Bhargav Dhirajlal Kotadia	5,000	Negligible[*]	[●]	[●]
2.	Shree Hari Trust	31,443,581	35.37	[●]	[●]
	Total (A)	**31,448,581**	**35.37**	[●]	[●]
	Promoter Group				
3.	Sharada Dhirajlal Kotadia	3,750,000	4.22	[●]	[●]
4.	Dhirajkumar S. Vasoya	4,082,700	4.59	[●]	[●]
5.	Naynaben D. Vasoya	632,000	0.71	[●]	[●]
6.	Sahajanand Technologies Private Limited	64,000	0.07	[●]	[●]

S. no.	Name of shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares	Percentage of post-Offer capital
	Total (B)	**8,528,700**	**9.59**	[●]	[●]
	Total (A+B)	**39,977,281**	**44.97**	[●]	[●]

[*] Less than 0.01%

c) Details of Promoters' contribution locked in for eighteen months

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters, except for the Equity Shares offered by Shree Hari Trust pursuant to the Offer for Sale, shall be considered as minimum promoters' contribution and locked-in for a period of eighteen months from the date of Allotment ("**Promoter's Contribution**"). Our Promoter's shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the Allotment. As on the date of this Draft Red Herring Prospectus, our Promoters hold 31,448,581 Equity Shares, constituting 35.37% of our Company's issued, subscribed and paid-up equity share capital, all of which are eligible for Promoters' Contribution in accordance with the SEBI ICDR Regulations, except for 218,150 Equity Shares acquired by Shree Hari Trust in the preceding one year.

Shree Hari Trust has given consent, pursuant to its letter dated September 27, 2021 to include such number of Equity Shares held by it as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoter's Contribution. Shree Hari Trust has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. Details of Promoters' Contribution are as provided below:

Name of the Promoter	No. of Equity Shares	No. of Equity Shares locked-in	Date of allotment/ transfer[#]	Face value per Equity Share (₹)	Allotment/ Acquisition price per Equity Share (₹)	Nature of transaction	% of the fully diluted post-Offer paid-up Capital	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated at the Prospectus stage.
[#] All Equity Shares were fully paid-up at the time of acquisition.

The Equity Shares that are being locked-in for computation of Promoters' Contribution are not and will not be ineligible under Regulation 15 of the SEBI ICDR Regulations. In particular, these Equity Shares do not and shall not consist of:

(i) Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters' Contribution;

(ii) Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Our Company was incorporated pursuant to conversion of a partnership firm into a company in the year 2001. No Equity Shares have been issued to our Promoters upon such conversion, in the last one year; and

(iv) Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance.

3. Details of share capital locked-in for six months

In terms of the SEBI ICDR Regulations, except for:

(i) the Promoters' Contribution which shall be locked in as above;

(ii) the Equity Shares sold or transferred by the Selling Shareholders pursuant to the Offer for Sale;

(iii) any Equity Shares (a) allotted/ transferred to the employees of our Company, or (b) the SMT ESOP Trust for transfer to employees of our Company under ESOP 2021 prior to the Offer, as applicable; and

(iv) any Equity Shares held by a VCF or Category I AIF or Category II AIF or FVCI, as applicable, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders.

The entire pre-Offer Equity Share capital of our Company (including those Equity Shares held by our Promoters in excess of Promoter's Contribution), shall be locked in for a period of six months from the date of Allotment. Any unsubscribed portion of the Equity Shares being offered by the Selling Shareholders in the Offer for Sale would also be locked-in as required under the SEBI ICDR Regulations.

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a housing finance company, subject to the following:

(i) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(ii) With respect to the Equity Shares locked-in as Promoter's Contribution for eighteen months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer. See "*Objects of the Offer*" on page 87.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in, may be transferred to Promoters or members of the Promoter Group or to any new Promoters, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoters and locked-in for a period of six months from the date of Allotment in the Offer, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the provisions of the Takeover Regulations. However, it should be noted that the Offered Shares which will be transferred by the Selling Shareholders pursuant to the Offer for Sale shall not be subject to lock-in.

Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

4. Sales or purchases of Equity Shares or other specified securities of our Company by our Promoter, the other members of our Promoter Group or our Directors or their relatives during the six months immediately preceding the date of this Draft Red Herring Prospectus.

None of our Promoters, members of our Promoter Group, our Directors or their relatives have sold or purchased any Equity Shares or other specified securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

[***Remainder of this page intentionally left blank***]

5. *Shareholding Pattern of our Company*

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights		Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Total								
(A)	Promoters and Promoter Group	6	39,977,281	-	-	39,977,281	44.97	39,977,281	39,977,281	44.97	-	44.97	-	-	-	-	39,977,281
(B)	Public	2	48,927,062	-	-	48,927,062	55.03	48,927,062	48,927,062	55.03	-	55.03	-	-	-	-	48,927,062
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**8**	**88,904,343**	**-**	**-**	**88,904,343**	**100.00**	**88,904,343**	**88,904,343**	**100**	**-**	**100.00**	**-**	**-**	**-**	**-**	**88,904,343**

6. As on the date of this Draft Red Herring Prospectus, our Company has 8 holders of Equity Shares.

7. Equity Shares held by the Shareholders holding 1% or more of the paid-up capital of our Company

The Shareholders holding 1% or more of the equity paid-up capital of our Company as on the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Number of Equity Shares on a fully diluted basis	Percentage of pre-Offer Equity Share capital held on a fully diluted basis
1.	Samara Capital Markets Holding Limited	32,530,259	36.59
2.	Shree Hari Trust	31,443,581	35.37
3.	NHPEA Sparkle Holding B.V.	16,396,803	18.44
4.	Dhirajkumar S. Vasoya	4,082,700	4.59
5.	Sharada Dhirajlal Kotadia	3,750,000	4.22
	Total	**88,203,343**	**99.21**

The Shareholders holding 1% or more of the equity paid-up capital of our Company ten days prior to the filing of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Number of Equity Shares on a fully diluted basis	Percentage of pre-Offer Equity Share capital held on a fully diluted basis
1.	Samara Capital Markets Holding Limited	32,530,259	36.59
2.	Shree Hari Trust	31,443,581	35.37
3.	NHPEA Sparkle Holding B.V.	16,396,803	18.44
4.	Dhirajkumar S. Vasoya	4,082,700	4.59
5.	Sharada Dhirajlal Kotadia	3,750,000	4.22
	Total	**88,203,343**	**99.21**

The Shareholders holding 1% or more of the equity paid-up capital of our Company as on one year prior to the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Number of Equity Shares on a fully diluted basis	Percentage of pre-Offer Equity Share capital held on a fully diluted basis
1.	Samara Capital Markets Holding Limited	32,530,259	36.59
2.	Shree Hari Trust	31,225,431	35.12
3.	NHPEA Sparkle Holding B.V.	16,396,803	18.44
4.	Dhirajkumar S. Vasoya	4,082,700	4.59
5.	Hemali Kotadia	3,750,000	4.22
	Total	**87,985,193**	**98.96**

The Shareholders holding 1% or more of the equity paid-up capital of our Company as on two years prior to filing of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Number of Equity Shares on a fully diluted basis	Percentage of pre-Offer Equity Share capital held on a fully diluted basis
1.	Samara Capital Markets Holding Limited	32,530,259	36.59
2.	Shree Hari Trust	31,225,431	35.12
3.	NHPEA Sparkle Holding B.V.	16,396,803	18.44
4.	Dhirajkumar S. Vasoya	4,082,700	4.59
5.	Hemali Kotadia	3,750,000	4.22
	Total	**87,985,193**	**98.96**

8. None of the Equity Shares being offered for sale through the Offer for Sale are pledged or otherwise encumbered, as on the date of this Draft Red Herring Prospectus.

9. Our Company, our Directors and the BRLMs have not made or entered into any buy-back arrangements for the purchase of Equity Shares.

10. Neither the BRLMs and nor their respective associates as defined in the SEBI Merchant Bankers

Regulations, hold any Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

11. No person connected with the Offer, including, but not limited to the BRLMs, the Syndicate Members, our Company, the Promoters, our Directors, or the members of the Promoter Group, shall offer or make payment of any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.

12. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Draft Red Herring Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.

13. All the shares held by our Promoters are in dematerialised as on the date of the Draft Red Herring Prospectus.

14. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

15. Except for the Equity Shares to be allotted pursuant to (i) the Fresh Issue; (ii) Offer for Sale, our Company presently does not intend or propose or is under negotiation or consideration to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

16. Except for the allotment of Equity Shares pursuant to (i) the Pre-IPO Placement, or (ii) to the SMT ESOP Trust pursuant to ESOP 2021, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc, as the case may be.

17. During the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus, no financing arrangements existed whereby our Promoter, other members of our Promoter Group, our Directors or their relatives have financed the purchase of securities of our Company by any other person.

18. Except as disclosed in "*Our Management*" on page 196, none of our Directors or KMPs hold any Equity Shares in our Company.

19. Our Promoters and members of our Promoter Group will not submit Bids, or otherwise participate in this Offer. Except for the Promoter Selling Shareholder and Dhirajkumar S. Vasoya (a member of our Promoter Group), who are offering Equity Shares for sale in the Offer for Sale, none of our other members of Promoter Group will participate in the Offer.

20. The Promoters and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of participation by the Promoter Selling Shareholder and Dhirajkumar S. Vasoya (a member of our Promoter Group) as Selling Shareholders in the Offer for Sale.

21. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

22. The BRLMs and persons related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs.

23. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group, if any, during the period between the date of filing of the Draft Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

24. Any oversubscription to the extent of 1% of the Offer size can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot while finalising the Basis of Allotment.

ESOP 2021

Our Company, pursuant to the resolutions passed by our Board on April 5, 2021 and our Shareholders on April 26, 2021, adopted ESOP 2021. ESOP 2021 has been amended pursuant to resolutions passed by our Board on September 18, 2021 and Shareholders on September 21, 2021**.** The purpose of ESOP 2021 is to grant well performing employees of the Company an opportunity to gain from our Company's performance and infuse a sense of entrepreneurship and ownership in them. The aggregate number of Equity Shares issued under ESOP 2021, upon exercise, shall not exceed 4,200,000 Equity Shares and the scheme will be administered through the SMT ESOP Trust.

As on date of this Draft Red Herring Prospectus, under ESOP 2021, a cumulative of 4,041,000 options have been granted.

The details of the ESOP, as certified by N B T and Co, Chartered Accountants, through a certificate dated September 27, 2021 are as follows:

<table>
<tr><th>Particulars</th><th>From the date of adoption of ESOP 2021 to the date of this Draft Red Herring Prospectus</th></tr>
<tr><td>Total options outstanding as at the beginning of the period</td><td>Nil</td></tr>
<tr><td>Total options granted</td><td>4,041,000</td></tr>
<tr><td>Total options vested (excluding options that have been exercised)</td><td>Nil</td></tr>
<tr><td>Options exercised</td><td>Nil</td></tr>
<tr><td>Exercise price of options in ₹ (as on the date of grant options)</td><td>₹ 1 (Pool 1) and ₹ 97.60 (Pool 2)*</td></tr>
<tr><td>Total number of Equity Shares that would arise as a result of exercise of options granted (including options that have been exercised)</td><td>4,041,000</td></tr>
<tr><td>Options forfeited/ lapsed/ cancelled</td><td>Nil</td></tr>
<tr><td>Variation in terms of options</td><td>NA</td></tr>
<tr><td>Money realised by exercise of options</td><td>NA**</td></tr>
<tr><td>Total number of options outstanding in force</td><td>4,041,000</td></tr>
<tr><td>Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td>Black-Scholes Option Pricing Formula
<table><tr><th></th><th>Vest 1
April 30, 2022</th><th>Vest 2
April 30, 2023</th><th>Vest 3
April 30, 2024</th><th>Vest 4
April 30, 2025</th><th>Vest 5
April 30, 2026</th></tr><tr><td>Expected Volatility (%)</td><td>21.18</td><td>20.63</td><td>19.97</td><td>20.09</td><td>19.51</td></tr><tr><td>Dividend Yield (%)</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td></tr><tr><td>Expected Life (Years)</td><td>3.50</td><td>4.51</td><td>5.51</td><td>6.51</td><td>7.51</td></tr><tr><td>Risk Free Interest Rate (%)</td><td>5.26</td><td>5.64</td><td>5.94</td><td>6.19</td><td>6.58</td></tr></table></td></tr>
<tr><td>Employee wise details of options granted to:</td><td></td></tr>
<tr><td>Key managerial personnel</td><td><table><tr><th>Name of KMP</th><th>Options granted</th></tr><tr><td>Ganesh Prasad Sabat</td><td>1,478,337</td></tr><tr><td>Piyush Savalia</td><td>309,422</td></tr><tr><td>Ajit Bhawar</td><td>247,537</td></tr><tr><td>Flora Das</td><td>20,000</td></tr><tr><td>Abhijeet Singhvi</td><td>185,653</td></tr></table></td></tr>
<tr><td>Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year</td><td>Ganesh Prasad Sabat: 1,478,337 options (assuming no further grant in Fiscal 2022)</td></tr>
<tr><td>Identified employees who were granted options during any one year equal to or exceeding 1% of the</td><td>Ganesh Prasad Sabat: 1,478,337 options</td></tr>
</table>

Particulars	From the date of adoption of ESOP 2021 to the date of this Draft Red Herring Prospectus
issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	
Fully diluted EPS on a pre-Offer basis on exercise of options calculated in accordance with Ind AS 33 'Earning Per Share' (₹)	NA
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognized if our Company had used fair value of options and impact of this difference on profits and EPS of our Company	NA
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in the SEBI SBEB and Sweat Equity Regulations in respect of options granted in the last three years	NA
Intention of the existing Key Managerial Personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	NA
Intention to sell Equity Shares arising out of ESOP within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of the ESOP, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) of our Company	Nil

[*] *"Pool 1" means a reserve of 1,900,000 options exercisable into not more than 1,900,000 Equity Shares and "Pool 2" means a reserve of 2,300,000 options exercisable into not more than 2,300,000 Equity Shares.*

[**] *Since no options have been vested yet, no money have been realised yet.*

Pursuant to a Board resolution dated September 18, 2021 and resolution of our Shareholders dated September 21, 2021, our Company has approved the issuance of 4,200,000 Equity Shares to the SMT ESOP Trust. The allotment of such Equity Shares shall be made prior to the filing of the Red Herring Prospectus.

OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue of up to [●] Equity Shares, aggregating up to ₹ 4,103.30 million by our Company and an Offer for Sale of up to [●] Equity Shares, aggregating up to ₹ 10,896.70 million by the Selling Shareholders.

Offer for Sale

The proceeds from the Offer for Sale (net of Offer related expenses to be borne by the Selling Shareholders) shall be received by the Selling Shareholders and our Company shall not receive any proceeds from the Offer for Sale. The proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Objects of the Fresh Issue

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Repayment/ prepayment of certain indebtedness availed by our Company and our Subsidiaries;

2. Funding the working capital requirements of our indirect foreign subsidiary, Vascular Innovations Co. Ltd. ("**Vascular Innovations**"); and

3. General corporate purposes.

(collectively, the "**Objects**")

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's brand name amongst our existing and potential customers and creation of a public market for our Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects clause as set out in the Memorandum of Association enables (i) to undertake our existing business activities; and (ii) to undertake the activities proposed to be funded from the Net Proceeds, as well as the activities towards which the loans proposed to be repaid from the Net Proceeds were utilised.

Net Proceeds

The following table sets forth details of the Net Proceeds:

Particulars	Estimated Amount (in ₹ million)[(1)]
Gross proceeds from the Fresh Issue	4,103.30[(3)]
Less Offer related expenses to be borne by our Company[(2)]	[●]
Net proceeds from the Fresh Issue after deducting the Offer related expenses to be borne by our Company ("**Net Proceeds**")	[●]

(1) To be determined after finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

(2) All cost, charges, fees, and expenses associated with and incurred in connection with the Offer (except for listing fees which will be borne by the Company, and fees and expenses in relation to the legal counsel to the Selling Shareholders, which shall be solely borne by the Selling Shareholders) shall be shared among the Company and each of the Selling Shareholders in proportion to the number of Equity Shares offered by the Company through any fresh issuance in the Offer and the Equity Shares sold by the Selling Shareholders in the Offer, in accordance with Applicable Law.

(3) Includes, the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement, our Company may utilise the proceeds from such Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer.

Utilisation of Net Proceeds

The following table sets forth details of the proposed utilisation of the Net Proceeds:

Particulars	Estimated Amount (in ₹ million)[(1)]
Repayment/ prepayment of certain indebtedness availed by our Company and our Subsidiaries	2,550
Funding the working capital requirements of our indirect foreign subsidiary, Vascular Innovations	403
General corporate purposes[*]	[●]

Particulars	Estimated Amount (in ₹ million)[(1)]
Net Proceeds	[●]

**To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.*

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(in ₹ million)

S. No.	Particulars	Total estimated amount/ expenditure	Estimated amount to be deployed from the Net Proceeds in Fiscal 2023	Estimated amount to be deployed from the Net Proceeds in Fiscal 2024
1.	Repayment/ prepayment of certain indebtedness availed by our Company	2,550	2,550	-
2.	Funding the working capital requirements of our indirect foreign subsidiary, Vascular Innovations	403	188.61	214.39
3.	General corporate purposes[*]	[●]	[●]	[●]
	Total Net Proceeds	[●]	[●]	[●]

[*]To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.

If the Net Proceeds are not utilized (in full or in part) for the Objects of the Offer during the period stated above due to factors such as (i) economic and business conditions; (ii) the timing of completion of the Offer; (iii) market conditions outside the control of our Company; and (iv) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals and/ or debt, as required. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh Issue in accordance with the SEBI ICDR Regulations.

Details of the Objects

1. Repayment/ prepayment of certain indebtedness availed by our Company

Our Company and our Subsidiaries have entered into various borrowing arrangements, such as term loans and working capital demand loans. As at June 30, 2021, our total outstanding indebtedness amounted to ₹ 3,613.53 million. For disclosure of our borrowings in the last three Fiscals as per Schedule III of the Companies Act, see "*Financial Information - Restated Consolidated Financial Information*" on page 219. Our Company proposes to utilize an aggregate amount of ₹ 2,550 million from the Net Proceeds towards full or partial repayment/ prepayment of certain borrowings availed by our Company and our Subsidiaries.

The selection of borrowings proposed to be prepaid, repaid (earlier or scheduled) out of the borrowings provided below, shall be based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates; (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements; (iii) intimating the lenders prior to undertaking the Offer, wherever necessary; (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings; (vi) presence of onerous terms and conditions under the facility and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding loan amounts may vary from time to time. Payment of interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the Net Proceeds. If the Net Proceeds are insufficient for making payments for such pre-payment penalties or premiums, such excessive amount shall be met from our internal accruals.

The repayment/ prepayment of loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness, debt-servicing costs and improve our debt to equity ratio and enable utilization of internal accruals for further

investment in business growth and expansion. In addition, we believe that the improved debt to equity ratio will enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business.

The amounts outstanding against the loans disclosed below may vary from time to time, in accordance with the amounts drawn down, repayment, pre-payment and the prevailing interest rates. In addition to the above, we may, from time to time, enter into fresh financing arrangements with banks and financial institutions. In such cases or in case any of the borrowings proposed to be repaid/ pre-paid out of Net Proceeds, are repaid, refinanced or pre-paid or further drawn-down or freshly drawn-down, within existing limits or enhanced limits, prior to the completion of the Offer, we may utilize the Net Proceeds towards repayment or pre-payment of the additional borrowings. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional borrowings availed, if any or otherwise), in part or full, would not exceed ₹ 2,550 million. The amounts proposed to be prepaid and / or repaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment. For further details, see "*Financial Indebtedness*" on page 311.

The following table provides details of certain borrowings availed by our Company and our Subsidiaries as on June 30, 2021, out of which we propose to prepay or repay, in full or in part, from the Net Proceeds.

[***Remainder of this page intentionally kept blank***]

(₹ in million)

Name of the Lender	Nature of the borrowing	Sanctioned amount[(1)]	Amount outstanding as at June 30, 2021 [(1)]	Rate of interest as at June 30, 2021[(1)]	Repayment Date / Schedule[(1)]	Prepayment penalty[(1)]	Purpose for which the loan was sanctioned[(2)(3)]
Standard Chartered Bank	Pre-shipment financing	500.00	150.00	7.70%	Within 150 days from the date of disbursement	2% on pre-paid amount	Pre-shipment financing covering the purchase of raw materials, processing, packing, transportation, warehousing and other expenses and overheads incurred to ready goods for sale
	Short Term Loan		70.00	7.70%	Within 180 days from the date of disbursement		Working capital requirement
Investec Bank PLC	Term loan facility	2,617.50	1,257.56	4.35%[(4)]	Four years (commencing April 15, 2021 and concluding on April 15, 2024)	Permitted without premium or penalty on 7 business days' notice with a minimum amount on EUR 10,00,000 subject to payment of break costs if not made on the last day of an interest period.[(5)]	• Funding the Interest Service Reserve Amount • Payment of transaction expenses then due and payable • Funding the purchase consideration for, and all fees, costs and expenses associated with, the acquisition of Vascular Innovations • Funding in full of each of the foregoing, its long term working capital and general corporate purposes
Siemens Bank GMBH			1,257.56				
Total	-	**3,117.50**	**2,735.12**	-	-	-	-

**Reflects the total limit of the facility which consists of both fund based and non-fund based sub-facilities. Further, each sub-facility has a designated limit and such limits are interchangeable.*

(1) As certified by N B T and Co, Chartered Accountants pursuant to certificate dated September 27, 2021.

*(2) Our Statutory Auditors have, through its report of factual findings dated September 24, 2021 ("**Utilization AUP**"), stated that it has obtained the details of utilisation of these loans availed and traced the amount of utilisation of the these loans as of March 31, 2021 to the books of accounts of the Company for the period from March 17, 2020 to March 31, 2021 and SMT Ireland for the period from April 30, 2020 to March 31, 2021 and found such amounts to be in agreement.*

(3) Includes temporary deployment of funds presented under cash and cash equivalents pending utilisation.

*(4) Our Company, Investec Bank Plc and Siemens Bank GMBH have signed a term-sheet dated September 20, 2021 ("**Investec-Siemens Term Sheet**") amending certain terms of the original facility documents. In terms of the Investec-Siemens Term Sheet, interest on this facility will be at 5.35% for two consecutive quarters from compliance with the original covenants under the facility (commencing from the date of the Investec-Siemens Term Sheet).*

(5) In terms of the Investec-Siemens Term Sheet, we are required to undertake a mandatory prepayment of amounts due under this facility from the proceeds of any fund-raising undertaken by us (including through the Offer or the Pre-IPO Placement).

Our Company has obtained the Utilization AUP in accordance with paragraph 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, which requires a certificate from our statutory auditor, certifying the utilization of the loans sought to be repaid for the purposes they were availed of.

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see "*Financial Indebtedness*" on page 311.

2. Funding the working capital requirements of our indirect foreign Subsidiary, Vascular Innovations

Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, equity from shareholders and financing from banks. Our indirect foreign subsidiary, Vascular Innovations is engaged in the business of sale of medical implants and was acquired in May 2020 by SMT Ireland, our wholly owned subsidiary. For further details of this acquisition, see "*History and Other Corporate Matters*" on page 185.

This acquisition expanded our product portfolio and enabled us to enter into the structural heart therapy segment and gave us access to Hydra TAVI, a unique transcatheter heart valve implant to treat severe aortic stenosis in high-risk, patients. We intend to continue to develop Hydra TAVI to expand our total addressable market and enter the growing heart valve market which will be a driver of our future growth and which we anticipate will benefit our Company, its business and results of operations. Currently, Vascular Innovations owns and operates our overseas manufacturing facility at Nonthaburi in Thailand where we manufacture products for structural heart therapy, namely, TAVI devices and occluders. For further details, see "*Our Business*" on page 156.

Our Company intends to use ₹ 403.00 million from the Net Proceeds to fund the working capital requirements of Vascular Innovations. Deployment of Net Proceeds by the Company in Vascular Innovations may be in the form of equity or debt or in any other manner as may be mutually decided. The actual mode of such deployment has not been finalized as on the date of this Draft Red Herring Prospectus.

Existing working capital

The existing working capital of Vascular Innovation based on its audited standalone financial statements as of and year ended March 31, 2021, December 31, 2020, and December 31, 2019 is as stated below:

(₹ in million)

Particulars	As at 31 December, 2019	As at 31 December, 2020	As at 31 March, 2021
A. Current assets			
(a) Inventories	205.92	183.13	161.19
(b) Financial assets			
(i) Trade receivables	176.68	186.26	212.19
(ii) Cash and cash equivalents	61.15	99.82	121.41
(iii) Bank balances other than (ii) above	-	-	24.17
(iv) Other financial assets	-	-	1.46
(c) Other current assets	6.01	4.13	7.43
Total current assets (A)	**449.76**	**473.34**	**527.85**
B. Current liabilities			
(a) Financial liabilities			
a) Bank Borrowings	0.12	-	-
b) Trade payables	83.01	22.13	28.47
c) Lease Liabilities	1.83	1.96	3.86
(b) Other Financial Liabilities	-	-	-
(c) Other current liabilities	-	-	2.12
(d) Current tax liabilities (net)	2.44	1.71	1.25
Total current liabilities (B)	90.04	33.61	52.71
C. Total working capital requirements (C=A-B)	**359.72**	**439.73**	**475.14**

Future working capital requirements

On the basis of Vascular Innovations' existing working capital requirements and the projected working capital requirements, our Board and the board of directors of Vascular Innovations has, pursuant to resolutions dated

September 18, 2021 and September 16, 2021, respectively, approved the projected working capital requirements of Vascular Innovations for Financials Years 2022, 2023 and 2024 and the proposed funding of such working capital requirements as stated below:

(₹ in million)

Particulars	As at 31 March, 2022	As at 31 March, 2023	As at 31 March, 2024
A. Current assets			
(a) Inventories	169.66	175.89	207.99
(b) Financial assets			
(i) Trade receivables	217.38	375.23	554.65
(ii) Cash and cash equivalents	132.55	211.07	311.99
(iii) Bank balances other than (ii) above	24.17	24.17	24.17
(iv) Other financial assets	1.46	6.46	6.46
(c) Other current assets	11.43	51.43	89.43
Total current assets (A)	**556.65**	**844.25**	**1,194.69**
B. Current liabilities			
(a) Financial liabilities			
a) Trade payables	29.69	70.36	104.00
b) Other financial liabilities	2.12	2.12	2.12
c) Lease Liabilities	3.86	3.86	3.86
(b) Provisions	-	-	-
(c) Other current liabilities	14.25	39.25	60.25
(d) Current tax liabilities (net)	11.36	44.70	72.80
Total current liabilities (B)	**61.28**	**160.29**	**243.03**
C. Total working capital requirements (C=A-B)	**495.36**	**683.97**	**951.66**
D. Funding pattern			
(a) Working capital facilities from banks/ financial institutions	-	-	-
(b) Internal Accruals	495.36	495.36	548.66
E. Net Working Capital Requirement (E=C-D)	0.00	188.61	403.00
F. Amount proposed to be funded from the Net Proceeds	**0.00**	**188.61**	**214.39**

Note: As certified by N B T and Co, Chartered Accountants, through its certificate dated September 27, 2021.

Assumptions for working capital requirements:

The following table sets forth the details of the holding period considered:

Assumptions	Fiscal year ended on December 31, 2019	Fiscal year ended on December 31, 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
	(*On Actuals*)			(*Assumption*)		
Inventory (days on sales)	158	167	160	160	75	60
Receivables (days on sales)	136	170	211	205	160	160
Cash (days on sales)	47	91	121	125	90	90
Payable (days on sales)	64	20	28	28	30	30
Other current assets (days of sales)	5	4	38	35	35	35
Other current liability (days of sales)	5	10	28	19	19	19

The working capital projections made by Vascular Innovations are based on certain key assumptions, as set out below:

Particulars	Assumptions and Justifications
Inventories	Vascular Innovations had maintained inventory of 158 days in the Fiscal Year ended December 31, 2019, 167 days in the Fiscal Year ended December 31, 2020 and 160 days in the Fiscal Year ended March 31, 2021 in order to have timely supply of stock. Our Company has assumed inventory of 160, 75, 60 days in the Fiscal Year ended March 31, 2022, the Fiscal Year ended March 31, 2023 and the Fiscal Year ended March 31, 2024 respectively as our Company intends to incorporate efficiency in inventory management combined with significantly higher scale of operations.

Particulars	Assumptions and Justifications
Trade receivables	Vascular Innovations had maintained receivable of 136 days in the Fiscal Year ended December 31, 2019, 170 days in the Fiscal Year ended December 31, 2020 and 211 days in the Fiscal Year ended March 31, 2021. Our Company believes the same was higher in the Fiscal Year ended March 31, 2021 on account of the global pandemic and our Company believes 160 days of trade receivables to be continued in near future. Accordingly, our Company has assumed 160 days of trade receivable for each of the Fiscal Year ended March 31, 2023 and the Fiscal Year ended March 31, 2024.
Cash and bank balances	Vascular Innovations had maintained cash and bank balance of 47 days in the Fiscal Year ended December 31, 2019, 91 days in the Fiscal Year ended December 31, 2020 and 121 days in the Fiscal Year ended March 31, 2021. Our Company believes 90 days of cash and bank balances to be sufficient for Vascular Innovations' operations and accordingly, our Company has assumed 90 days of cash and bank balance for each of the Fiscal Years ended March 31, 2023 and the Fiscal Year ended March 31, 2024.
Trade payables (suppliers)	Vascular Innovations had maintained trade payable of 64 days in the Fiscal Year ended December 31, 2019, 20 days in the Fiscal Year ended December 31, 2020 and 28 days in the Fiscal Year ended March 31, 2021. In order to negotiate better terms from suppliers with significantly higher scale of operations, our Company has assumed 30 days of trade payable for each of the Fiscal Year ended March 31, 2023 and the Fiscal Year ended March 31, 2024.
Other current assets	Other current assets include prepaid expenses and other financial assets. Vascular Innovations had maintained other current assets of five days in in the Fiscal Year ended December 31, 2019, four days in the Fiscal Year ended December 31, 2020 and 38 days in the Fiscal Year ended March 31, 2021. With significantly higher scale of operations that our Company proposes to have in Vascular Innovations, our Company believes that it will have to maintain 35 days of other current assets for each of the Fiscal Year ended March 31, 2023 and the Fiscal Year ended March 31, 2024.
Other current liabilities	Other current liabilities include statutory liabilities and advance from customers. Vascular Innovations had maintained other current liability of five days in in the Fiscal Year ended December 31, 2019, 10 days in the Fiscal Year ended December 31, 2020 and 28 days in the Fiscal Year ended March 31, 2021. With significantly higher scale of operations that our Company propose to have in Vascular Innovations, our Company believe that it will have to maintain 19 days of other current liabilities for each of the Fiscal Year ended March 31, 2023 and the Fiscal Year ended March 31, 2024.

3. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such amount not exceeding 25% of the gross proceeds of the Fresh Issue, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include strategic initiatives and meeting exigencies, strengthening our marketing capabilities, research and clinical trials, research and development, meeting expenses incurred by our Company, as may be decided by our Company.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any.

Bridge Financing

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Means of Finance

The entire requirements of the objects detailed above are intended to be funded from the Net Proceeds. Accordingly, we confirm that there is no need for us to make firm arrangements of finance through verifiable

means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer or through existing identifiable internal accruals.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million.

The Offer related expenses primarily include fees payable to the BRLMs and legal counsels, fees payable to the Auditors, underwriting commission, selling commission and brokerage fees payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than (a) listing fees which will be borne by the Company, and (b) fees and expenses in relation to the legal counsel to any Selling Shareholders, which shall be borne by the respective Selling Shareholders, all cost, charges, fees, and expenses associated with and incurred in connection with the Offer shall be shared among the Company and each of the Selling Shareholders in proportion to the number of Equity Shares offered by the Company through any fresh issuance in the Offer and the Equity Shares sold by the Selling Shareholders in the Offer, in accordance with applicable law. The Company will advance the cost and expenses of the Offer in the first instance and will be reimbursed by the Selling Shareholders for their respective proportion of such costs and expenses only upon the allotment and/or transfer of Equity Shares pursuant to the Offer. Notwithstanding the above, in the event that the Offer is not completed, or postponed, withdrawn, abandoned or terminated for any reason, the Company shall bear all the expenses incurred in relation to the proposed Offer and the Selling Shareholders shall not be responsible for any such expenses, except as may be prescribed by the Securities and Exchange Board of India or any other regulatory authority.

The estimated Offer related expenses are as follows:

(₹ in million)

S. No	Activity	Estimated amount[(1)] (₹ in million)	As a % of total estimated Offer Expenses[(1)]	As a % of Offer Size[(1)]
1.	BRLMs fees and commissions (including underwriting commission)	[●]	[●]	[●]
2.	Brokerage, selling commission, bidding charges, processing fees and bidding charges for the Members of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs [(2)(3)(4)(5)(6)]	[●]	[●]	[●]
3.	Advertising and marketing expenses for the Offer	[●]	[●]	[●]
4.	Other expenses (i) Listing fees, SEBI filing fees, BSE & NSE processing fees, book building software fees, (ii) Other regulatory expenses, (iii) Printing and stationery expenses (iv) Fees payable to the Registrar to the Offer (v) Fees payable to the legal counsel (vi) Miscellaneous	[●]	[●]	[●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

[(1)] Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price

[(2)] Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders[*]	*[●]% of the Amount Allotted[*] (plus applicable taxes)*
Portion for Non-Institutional Bidders[*]	*[●]% of the Amount Allotted[*] (plus applicable taxes)*

[*]Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

[(3)] No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders[*]	*₹[●] per valid application (plus applicable taxes)*
Portion for Non-Institutional Bidders[*]	*₹[●] per valid application (plus applicable taxes)*

[*]*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

(4) The Processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate / RTAs / CDPs	*₹[●] per valid application (plus applicable taxes)*
Sponsor Bank	*₹ [●] per valid Bid cum Application Form[*] (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

[*]*For each valid application*

(5) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:

Portion for Retail Individual Bidders	*[●]% of the Amount Allotted[*] (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted[*] (plus applicable taxes)*

[*]*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

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

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

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member. The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

In addition to the selling commission referred above, any additional amount(s) to be paid by our Company and Selling Shareholders shall be as mutually agreed amongst the Book Running Lead Manager, their respective Syndicate Members, our Company and Selling Shareholders before the opening of the Offer.

Monitoring of Utilisation of Funds

[●] has been appointed as the Monitoring Agency for monitoring the utilisation of net proceeds prior to the filing of the Red Herring Prospectus, as our Offer size (excluding the Offer for Sale by the Selling Shareholders) exceeds ₹ 1,000 million, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the

Audit Committee. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board or the IPO Committee.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Selling Shareholders, no part of the proceeds of the Offer will be paid by our Company as consideration to our Promoters, members of the Promoter Group, Group Companies, our Directors or our Key Managerial Personnel.

Our Company has not entered into and is not planning to enter into any arrangement/ agreements with our Promoter, members of the Promoter Group, Directors, Key Managerial Personnel or Group Companies in relation to the utilisation of the Net Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the objects of the Offer except as set out above.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English and one in Gujarati, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, at a price and in such manner and subject to such conditions as prescribed by SEBI, in this regard.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares offered in the Offer through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 1 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to the sections "*Our Business*", "*Risk Factors*", "*Financial Information – Restated Consolidated Financial Information*" and "*Management Discussion and Analysis"* on pages 156, 22, 219 and 279 respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- Technologically advanced products in an industry with high barriers to entry;
- Market leading position in interventional cardiology in India, leveraging on industry growth drivers;
- Fast growth in international markets;
- Robust and efficient manufacturing capabilities generating healthy margins;
- Proven R&D capabilities; and
- Experienced and stable leadership team supported by a highly skilled employee base

For further details, please see "*Our Business – Our Competitive Strengths*" on page 158.

Quantitative factors

Some of the information presented in this section relating to our Company is derived from the Restated Consolidated Financial Information. For details, see "*Financial Information – Restated Consolidated Financial Information*" beginning on page 219.

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

1. Basic and Diluted Earnings Per Share ("EPS")[(1)(2)], as per the Restated Consolidated Financial Information

Financial Year	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weightage
Financial Year ended March 31, 2021	(8.13)	(8.13)	3
Financial Year ended March 31, 2020	2.76	2.69	2
Financial Year ended March 31, 2019	4.00	3.67	1
Weighted Average	(2.48)	(2.56)	

[(1)] Basic EPS (₹) = Basic earnings per share are calculated by dividing the Restated Profit/(loss) for the year attributable to the owners of the company by the weighted average number of equity Shares outstanding during the year

[(2)] Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the Restated Profit/(loss) for the year attributable to the owners of the Company by the weighted average number of equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares outstanding during the year.

Notes

1. *Basic EPS and Diluted EPS calculations are in accordance with Indian Accounting Standard 33 'Earnings per Share'.*
2. *Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.*
3. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]*
4. *The above statement should be read with significant accounting policies and notes on Restated Consolidated Financial Information as appearing in the section titled "Financial Information – Restated Consolidated Financial Information" on page 219.*

2. Price Earning ("P/E") Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share

Particulars	P/E ratio at the lower end of the Price Band (number of times)*	P/E ratio at the higher end of the Price Band (number of times)*
Based on Basic EPS for the financial year ended March 31, 2021	[●]	[●]
Based on Diluted EPS for the financial year ended March 31, 2021	[●]	[●]

**Will be populated in the Prospectus.*

Industry Peer Group P/E ratio

There are no listed entities in India whose business portfolio is comparable with that of our business.

3. Average Return on Net Worth attributable to the owners of the company (RoNW)

Financial Year	RoNW, as derived from the Restated Consolidated Financial Information (%)	Weightage
Financial Year ended March 31, 2021	(21.06)	3
Financial Year ended March 31, 2020	5.92	2
Financial Year ended March 31, 2019	8.57	1
Weighted Average	(7.13)	

(1) "Net worth attributable to the owners of the company" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as on 31 March, 2021, 2020 and 2019. Therefore, net worth attributable to the owners of the company excludes capital reserve on business combinations and foreign currency translations reserve. Net worth attributable to the owners of the company is a non-GAAP measure (see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Non-GAAP Measures" on page 304 for the reconciliation of Net worth attributable to the owners of the company calculated from the Restated Consolidated Financial Information)

(2) Return on Net worth attributable to the owners of the company (%) = Restated Profit/(loss) attributable to Owners of the company by Net worth attributable to the owners of the company. Return on Net worth attributable to the owners of the company is a non-GAAP measure (see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Non-GAAP Measures" on page 304 for the reconciliation of Return of Net worth attributable to the owners of the company calculated from the Restated Consolidated Financial Information)

(3) Weighted average = Aggregate of year-wise weighted Return on Net worth attributable to the owners of the company divided by the aggregate of weights i.e. [(Return on Net worth attributable to the owners of the company x Weight) for each year] / [Total of weights]

4. Net Asset Value per Equity Share

Year Ended	NAV derived from the Restated Consolidated Financial Information (₹)(2)
As on March 31, 2021	38.62
After the completion of the Offer	At the Floor Price: [●] At the Cap Price: [●]
Offer Price(1)	[●]

(1) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

(2) "Net worth attributable to the owners of the company" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as on 31 March, 2021, 2020 and 2019. Therefore, net worth attributable to the owners of the company excludes capital reserve on business combinations and foreign currency translations.

(3) Weighted average number of equity Shares is the number of equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

(4) Net Asset Value Per Equity Share = Net worth attributable to the owners of the company / Weighted average number of equity shares outstanding during the year. Net Asset Value is a non-GAAP measure (see "Management's Discussion and Analysis of Financial Condition and Results of Operation - Non-GAAP Measures" on page 304 for the reconciliation of Net Asset Value calculated from the Restated Consolidated Financial Information).

5. Comparison of Accounting Ratios with Listed Industry Peers

We believe that none of the listed companies in India are engaged in business portfolio similar to ours.

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

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

Investors should read the above-mentioned information along with "*Risk Factors*", "*Our Business*", "*Financial Information – Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 22, 156, 219 and 279, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" beginning on page 22 and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SAHAJANAND MEDICAL TECHNOLOGIES LIMITED (FORMERLY KNOWN AS SAHAJANAND MEDICAL TECHNOLOGIES PRIVATE LIMITED) ("THE COMPANY") AND THE SHAREHOLDERS OF THE COMPANY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

To
The Board of Directors
Sahajanand Medical Technologies Limited
(formerly known as Sahajanand Medical Technologies Private Limited)
Sahajanand Estate,
Wakharia Wadi,
NR. Dabholi Char Rasta,
Nani Ved, Ved road, Surat,
Gujarat – 395 004, India

Dear Sirs,

Sub: Statement of possible Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws

We refer to the proposed initial public offering of equity shares (the "**Offer**") of **Sahajanand Medical Technologies Limited** (formerly known as "Sahajanand Medical Technologies Private Limited") (**"Sahajanand" or** the **"Company"**). We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively the "**Taxation Laws**") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2022-23 relevant to the financial year 2021-22 for inclusion in the Draft Red Herring Prospectus (**"DRHP"**) for the proposed initial public offering of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Several of these benefits are dependent on the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company and/or its shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

The contents of the enclosed Annexure are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

- The Company and/or its Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company and its shareholders in the DRHP for the proposed initial public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**") where the equity shares of the Company are proposed to be listed, as applicable, provided that the below statement of limitation is included in the DRHP.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the existing provisions of taxation laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the initial public offer relying on the statement. This statement has been prepared solely in connection with the proposed initial public offering of equity shares of the Company under the ICDR Regulations.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mukesh Jain
Partner
Membership No. 108262
UDIN: 21108262AAAASS3990

Place: Mumbai
Date: September 18, 2021

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SAHAJANAND MEDICAL TECHNOLOGIES LIMITED (FORMERLY KNOWN AS "SAHAJANAND MEDICAL TECHNOLOGIES PRIVATE LIMITED") ("COMPANY") AND COMPANY'S SHAREHOLDERS ("SHAREHOLDERS")

The information provided below sets out the possible special direct and indirect tax benefits available to Sahajanand Medical Technologies Limited (formerly known as "Sahajanand Medical Technologies Private Limited") ("Sahajanand" or "the Company") and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current Tax Laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives a shareholder faces, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Company or its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

The statement below covers only relevant special direct and indirect tax law benefits and does not cover benefits under any other law.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

A. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE INCOME TAX ACT, 1961

The statement of tax benefits outlined below is as per the Income-tax Act, 1961 read with Income Tax Rules, circulars, notifications ("Income Tax Law"), as amended from time to time and applicable for financial year 2021-22 relevant to assessment year 2022-23. These special tax benefits are dependent on the Company fulfilling the conditions prescribed under the Income Tax Law. Hence, the ability of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

(1) Lower corporate tax rate under Section 115BAA of the Income-tax Act, 1961 ("the Act"):

As per Section 115BAA of the Act, with effect from Financial Year 2019-20 (i.e. AY 2020-21), a domestic company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and cess) subject to satisfaction of certain conditions.

In case a company opts for Section 115BAA of the Act, provisions of MAT under Section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available.

The option needs to be exercised on or before the due date of filing the tax return in prescribed manner. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year and therefore, shall apply to subsequent assessment years.

The Company intends to opt for the lower corporate tax rate under Section 115BAA of the Act from assessment year 2022-23 onwards. (refer "Notes" below)

(2) Section 115BBD of the Act:

As per the provisions of Section 115BBD of the Act, dividend received by a company from a foreign

company (where the equity stake of the company is 26 percent or more) would be chargeable to tax in the hands of the company at a concessional rate of 15% (plus applicable surcharge and health and education cess). In such case, no deduction would be allowed in respect of expenditure incurred in earning such dividend.

Further, credit of taxes, if any, paid in the country of residence of the company from whom dividend is received should be available based on specific provisions of tax treaty entered into between India and such country.

(3) Deduction under Section 80M of the Act:

As per the provisions of Section 80M of the Act, dividend received by a company from any other domestic company or a foreign company shall be eligible for deduction while computing its total income for the relevant year.

The amount of such deduction would be restricted to the amount of dividend distributed by the company to its shareholders on or before one month prior to due date of filing of its tax return for the relevant year.

Since the Company has investments in and outside India, it can avail the above-mentioned benefit under Section 80M of the Act subject to conditions specified therein.

(4) Deduction under Section 80JJAA of the Act, in respect of employment of new employees:

Subject to fulfillment of prescribed conditions, a company is entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

B. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholder, deduction under Section 80M of the Act would be available on fulfilling the conditions (as detailed above). However, the maximum surcharge applicable to shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person would be 15%, irrespective of the amount of dividend.

Further, the shareholders would be entitled to take credit of the Tax Deducted at Source by the Company against the taxes payable by them on dividend income.
Except for the above, the Shareholders of the Company are not entitled to any other special tax benefits under the Act.

Notes:

1. The Company intends to opt for the lower corporate tax rate under Section 115BAA of the Act for assessment year 2022-23 onwards. In view of this, it may be noted that *inter alia* the below deductions / exemptions which were available to the Company and claimed in earlier assessment years, shall not be available from assessment year 2022-23 onwards.

    a. Benefit under Section 10AA of the Act in respect of unit in Special Economic Zone
    b. Deduction under Section 35(2AB) of the Act being claim of capital expenditure for scientific research (not being expenditure in the nature of cost of any land or building) on in-house research and development facility recognized by Department of Scientific and Industrial Research
    c. Additional Depreciation under Section 32(1)(iia) of the Act
    d. Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA or Section 80M;

2. A company opting for the lower corporate tax rate under Section 115BAA of the Act shall be subject to levy of surcharge of 10% and Health and Education Cess of 4%.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively referred to as "Indirect tax")

A. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

A. **Benefits under The Foreign Trade (Development and Regulation) Act, 1992** ***(read with Foreign Trade Policy 2015-20)***

I. Remission of Duties and Taxes on Exported Products (RoDTEP)

The Remission of Duties and Taxes on Exported Products (RoDTEP) scheme was announced by Government of India (GOI) on 14th September 2019 to boost exports. The objective of scheme is to refund, currently un-refunded duties/taxes/levies at the Central, State and Local level, borne on the exported product including prior stage cumulative indirect taxes on goods and services used in production of the exported product; and such indirect duties/taxes/levies in respect of distribution of exported products. Under the scheme, rebate of aforesaid taxes will be given in the form of electronic scrip which could be utilised for payment of Basic Customs Duty. The said scheme will take effect for exports from 01 January 2021.

The RoDTEP benefit is not available to various category of exporters which inter alia includes exports made from SEZ. Thus, currently the Company is not eligible to RODTEP for exports made from its SEZ unit. However, the said scheme also provides that the Government may in future allow RoDTEP benefit for export of products for the said category of exporters. The Company may avail the RoDTEP benefit on export of products from other locations (non-SEZ) subject to the fulfilment of the conditions prescribed.

II. Export Promotion Capital Goods (EPCG)

The objective of the EPCG Scheme is to facilitate import of capital goods to be used for producing goods thereby enhancing India's manufacturing and export competitiveness. EPCG Scheme facilitates import of capital goods at zero customs duty subject to fulfilling an export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods, to be fulfilled in 6 years from date of authorization. EPCG license holder is exempted from payment of whole of Basic Customs Duty, Additional Customs Duty and Special Additional Duty In lieu of Value Added Tax/ local taxes (non-GST goods), Integrated Goods and Services Tax and Compensation Cess (GST goods), wherever applicable, subject to certain conditions.

III. Advance Authorization (AA)

The objective of the AA Scheme is to facilitate import of material to be used in manufacturing goods to be exported thereby enhancing India's manufacturing and export competitiveness. AA Scheme facilitates import of material at zero customs duty subject to physically incorporating such raw material in the finished product which is going to be exported. An AA license holder is required to achieve a prescribed minimum value addition and fulfil the export obligation mentioned in the authorisation within a prescribed time period to enjoy the aforesaid duty-free benefit while importing the raw material. AA license holder is exempted from payment of whole of Basic Customs Duty, Additional Customs Duty and Special Additional Duty In lieu of Value Added Tax/ local taxes (non-GST goods), Integrated Goods and Services Tax (IGST) and Compensation Cess (GST goods), wherever applicable, subject to certain conditions.

B. Benefits of Duty Drawback scheme under Section 75 of the Customs Act, 1962

As per section 75, Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such exported goods. Unlike the manner of granting benefit under aforesaid FTP schemes, here the main principle is that the Government fixes a rate per unit of final article to be exported out of the country as the drawback amount payable on such goods.

C. Benefits under Special Economic Zones Act, 2005

As per section 7 of Special Economic Zones Act, any goods or services exported out of, or imported into, or procured from the Domestic Tariff Area by a unit in a Special Economic Zone or a developer shall be

exempted from the payment of taxes, duties or cess, subject to compliance with such terms, conditions and limitations, as may be prescribed under the SEZ Act.

D. Benefits under the Central Goods and Services Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

I. Export of goods under the Goods and Services Tax ('GST') law

GST law inter-alia allows export of goods at zero rate on fulfilment of certain conditions. Exporters can export goods under Bond / Letter of Undertaking (LUT) without payment of IGST and claim refund of accumulated Input tax credit ('ITC'). There is also an alternative available to export goods with payment of IGST and subsequently claim rebate (refund thereof) as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017. The Finance Bill 2021 however has inserted suitable provisions stating that the said benefit of exporters to pay IGST on exports and subsequently claiming rebate thereof would be available only to notified persons, though the relevant notification in this regard is awaited.

II. GST Refund under Inverted Duty Structure

GST law allows a person to claim refund of unutilised input tax credit where accumulation is on account of rate of tax on input of goods being higher as compared to GST rate on output. The GST law also provides for the formulae/ mechanism for calculating the maximum refund amount in this regard. Further, the Supreme Court in the recent decision in the case of 'Union of India Vs. VKC Footsteps India Pvt. Ltd.' held that refund shall be restricted to the input tax credit pertaining to input goods in case of inverted duty structure.

E. Production Linked Incentive (PLI) Scheme to promote domestic manufacturing of Medical Devices under Department of Pharmaceuticals.

With an objective to boost domestic manufacturing, attract large investment in Medical Device Sector, the Department of Pharmaceuticals had launched a Production Linked Incentive (PLI) Scheme for Promotion of Domestic Manufacturing of Medical Devices to ensure a level playing field for the domestic manufacturers of medical devices with a total financial outlay of INR 34,200 million for the period 2021-22 to 2025-26.

The Scheme is applicable only for target segments of medical devices which includes "Cancer care/Radiotherapy Medical Devices", "Radiology & Imaging Medical Devices (both ionizing & non-ionizing radiation products) and Nuclear Imaging Devices", "Anaesthetics & Cardio-Respiratory Medical Devices including Catheters of Cardio-Respiratory Category & Renal Care Medical Devices" and "All Implants including Implantable Electronic Devices". Under the Scheme, financial incentive shall be given to selected companies at the rate of 5% of incremental sales (over Base Year) of goods manufactured in India and covered under Target segments, for a period of five (5) years. SMT has applied for the PLI scheme on November 30, 2020 and got approval vide letter dated February 23, 2021.

B. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

Shareholders of the Company are not eligible to special indirect tax benefits under the provisions of the Central Goods and Services Act 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications), Special Economic Zones Act, 2005, and Production Linked Incentive (PLI) Scheme to promote domestic manufacturing of Medical Devices under Department of Pharmaceuticals.

For and on behalf of the Board of Directors of **Sahajanand Medical Technologies Limited (Formerly known as Sahajanand Medical Technologies Private Limited)**

Bhargav Kotadia
Managing Director
Mumbai, September 18, 2021

Notes:

1) These special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Regulations. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

2) The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for a professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications.

3) The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing equity shares.

4) The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

    a. The Company or its shareholders will continue to obtain these benefits in future;
    b. The conditions prescribed for availing the benefits have been / would be met with; and
    c. The revenue authorities / courts will concur with the view expressed herein.

The above views are basis the provisions of law, their interpretation and applicability as on date, which may be subject to change from time to time and that department may take a view contrary to that indicated above.

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SAHAJANAND MEDICAL TECHNOLOGIES IRELAND LIMITED (HEREAFTER ALSO REFERRED TO AS 'THE COMPANY') UNDER THE DIRECT AND INDIRECT TAX LAWS WHICH APPLY IN THE REPUBLIC OF IRELAND

17 September 2021

To:
The Board of Directors
Sahajanand Medical Technologies Ireland Limited
Ground Floor
Block 5
Galway Technology Park
Parkmore
Galway
Co. Galway
IRELAND

Dear Sirs,

RE: Statement of potential Special Tax Benefits available to the Company under the direct and indirect tax laws which apply in the Republic of Ireland

Further to the terms of our Engagement Letter dated 30 August 2021 and signed 7 September 2021, we enclose the Statement (the "**Annexure**") summarising potential special tax benefits available to the Company in respect of the current taxation assessment year being financial year ending 31 March 2022, based on direct and indirect taxation laws of the Republic of Ireland as of the date of this Statement.

The potential tax benefits available to the Company by reason of the direct and indirect taxation laws of the Republic of Ireland as set out in the Statement, are potentially available to all companies tax resident in Ireland, provided the conditions referred to in the Statement are met. However, we understand that notwithstanding same, such benefits can be referred to as 'special tax benefits' in the context of the proposed initial public offer of equity shares in the Company's parent entity, namely Sahajanand Medical Technologies Pvt Limited, solely in view of the fact that the Indian tax resident parent company has an Irish tax resident subsidiary, who can potentially avail of the tax benefits as set out in the Statement.

Several of these benefits are dependent on the Company fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws of the Republic of Ireland. Hence, the ability of the Company to derive these direct and indirect special tax benefits is dependent upon their fulfilling such conditions. It is also dependent on there being no further change to Irish taxation law and practice in respect of the current taxation assessment year i.e. 31 March 2022.

The potential benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents of the Annexure are based on the information and explanations obtained from the Company. This Statement is only intended to provide general information and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of taxation matters and the changing tax laws which apply both in the Republic of Ireland and each individual investor's state of tax residence, each investor is advised to consult their own tax consultants with respect to the specific tax implications arising out of their participation in the proposed initial public offer of equity shares which the Company's parent entity, namely Sahajanand Medical Technologies Pvt Limited, as detailed below. We note in particular that investors are not subscribing for shares in the Company itself but rather in its parent entity as detailed below. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this Statement.

The contents of the enclosed Annexure are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company arising therefrom.

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

- The Company will continue to obtain these benefits in future;
- The conditions prescribed for availing of the benefits have been/would be met;

- The Revenue authorities/courts will concur with the views expressed herein.

This Statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this Statement and the enclosed Annexure regarding the tax benefits available to the Company in the DRHP for the proposed initial public offer of equity shares which the Company's parent entity, namely Sahajanand Medical Technologies Limited intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**") where the equity shares of Sahajanand Medical Technologies Limited are proposed to be listed, as applicable, provided that the below Statement of limitation is included in the draft red herring prospectus of Sahajanand Medical Technologies Limited.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the existing provisions of taxation laws in force in the Republic of Ireland and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the Statement is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the initial public offer of equity shares which the Company's parent entity, namely Sahajanand Medical Technologies Limited relying on the Statement. This Statement has been prepared solely in connection with the proposed initial public offering of equity shares of Sahajanand Medical Technologies Limited under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Signed on behalf of RBK Business Advisers

17 September 2021

_____ _____

RBK Business Advisers **Date**

ANNEXURE TO THE STATEMENT OF TAX BENEFITS POTENTIALLY AVAILABLE TO SAHAJANAND MEDICAL TECHNOLOGIES IRELAND LIMITED (HEREAFTER REFERRED TO AS 'THE COMPANY')

The information provided below sets out the potential direct and indirect tax benefits available to Sahajanand Medical Technologies Ireland Limited (or hereafter referred to as 'the Company') in a summary manner only and is not a complete analysis or listing of all potential tax benefits which may apply to the Company under the current Tax Laws (the term 'Tax Laws' is defined below) presently in force in the Republic of Ireland. The Statement reflects only the current position of tax benefits available to the Company as presently in force and applicable as of the date of this Statement and applying to the current taxation assessment year of the Company being the financial year ending 31 March 2022.

Several of these benefits are dependent on the Company fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the Company to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives the Company, may or may not choose to fulfil. We do not express any opinion or provide any assurance as to whether the Company will continue to obtain these benefits in future.

The overview provided in this Statement is neither exhaustive nor conclusive and is not intended to be a substitute for professional advice. If only covers potential Direct and Indirect tax benefits under the relevant Tax Laws as defined below and does not cover benefits under any other law or any tax jurisdiction other than the Republic of Ireland. The Statement as outlined below does not constitute tax advice and is intended only as a guide to certain tax benefits under Tax Laws and the practice and/or application of same by the Taxing Authorities in the Republic of Ireland as of the date of this Statement. The commentary as set out in this Statement is limited only to the relevant aspect of the Tax Laws as defined below which are set out as part of this Statement.

This Statement deals with direct and indirect tax benefits available to the Company. It does not deal with direct or indirect tax benefits available to the parent of the Company, Sahajanand Medical Technologies Pvt Limited, and does not deal with tax implications for investors in Sahajanand Medical Technologies Pvt Limited, even to the extent that any such investors may be tax resident in the Republic of Ireland. In view of the individual nature of taxation matters and the changing tax laws which apply both in the Republic of Ireland and each individual investor's state of tax residence, each investor is advised to consult their own tax consultants with respect to the specific tax implications arising out of their participation in the Offer. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this Statement.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

STATEMENT OF POTENTIAL DIRECT AND INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

PREAMBLE AND DEFINITIONS

The Company was established in the Republic of Ireland on 16 May 2016 and is registered with the Companies Registration Office of the Republic of Ireland under reference number 582496. The Company has been registered for Corporation Tax and Value Added Tax ('VAT') (as defined below) in the Republic of Ireland effective from 16 May 2016. It is also noted that the Company is registered in the Republic of Ireland as an employer for the purposes of the operation of Payroll Taxes on payments made to employees of the Company. This would also include the Company's obligation to pay specified employer contributions towards social insurance (referred to as Employer's Pay Related Social Insurance ('PRSI')) in respect of its employees. It is noted that the scope of this Statement does not extend to Payroll Taxes generally, save where same refers to any potential tax benefit related to a direct cost of the Company in respect of Employers PRSI.

For the avoidance of any doubt, we have set out below summary of certain key definitions and terms which may be referred to within the Statement below:

'CGT' shall refer to Capital Gains Tax

'Company' shall refer to Sahajanand Medical Technologies Ireland Limited

'Corporation Tax' shall refer to the taxation of corporate profits of the Company

'Direct Tax' or 'Direct Taxes' shall refer solely to Corporation Tax, CGT and Employer's PRSI relating to the Company, and does not extend in its meaning to matters pertaining to any other tax heads

'Employer's PRSI' shall refer to Employer's Pay Related Social Insurance, a payment made by employers in the Republic of Ireland based on their employee's pay and used as part of a source of funding for social welfare payments made in the Republic of Ireland

'EU' shall refer to the European Union being the grouping of 27 countries that operates as a cohesive economic and political block

'Indirect Tax' or 'Indirect Taxes' shall refer solely to VAT relating to the Company, and does not extend in its meaning to matters pertaining to any other tax heads

'Parent' shall refer to the Company's parent entity, namely Sahajanand Medical Technologies Pvt Limited

'Subsidiary' or 'Subsidiaries' shall refer individually or collectively as the case may be to any company in which the Company holds an investment in the equity share capital of that company

'Tax Laws' shall refer to, (1) in the case of the Direct Taxes, the Taxes Consolidation Act of 1997 as amended by subsequent Acts up to and including the Finance Act 2020 (hereafter also referred to as 'TCA 1997'), and (2) in the case of Indirect Taxes, the Value Added Tax ('VAT') Consolidation Act, 2010 as amended by subsequent Acts up to and including the Finance Act 2020 (hereafter also referred to as 'VATCA 2010')

'Tax Period of Assessment' shall refer to in the case of the Company each taxable assessment period in the Republic of Ireland, which is aligned to the Company's financial accounting period of 1 April to 31 March of each relevant financial year

'Taxing Authorities' shall refer to the Office of the Revenue Commissioners of the Republic of Ireland as was established by Government Order in 1923, and whose core activity is the assessment and collection of taxes and duties on behalf of the Government of the Republic of Ireland

'Taxing Authorities Guidelines' shall refer to any published guidelines as issued by the Office of the Revenue Commissioners of the Republic of Ireland in respect of any provisions of the Tax Laws

'VAT' shall refer to Value Added Tax, a tax which is payable on sales of goods or services within the territory of the Member States of the EU

A. POTENTIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE TAX LAWS

The Statement of potential tax benefits outlined below is as per the provisions of the Tax Laws. These potential tax benefits are dependent on the Company fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives it faces in the future, it may or may not choose to fulfill.

(1) Corporation Tax rate on trading profits

The Tax Laws provide for a statutory rate of 12.5% to apply to the taxable trading profits of a company which is resident in Ireland for tax purposes and carries on a trade in Ireland.

We understand that the Company is considered as resident for the purposes of Corporation Tax solely in the Republic of Ireland.

We understand that the Company engages in Research and Experimental Development activities relating to Natural Sciences and Engineering, as well as the sale and distribution of medical devices/products to customers based in Ireland and overseas.

The Company files its Corporation Tax returns in Ireland on the basis that it is engaged in the conduct of a trade in Ireland which is subject to the Corporation Tax rate of 12.5%.

(2) Taxation of trading losses

The Tax Laws provide that any Corporation Tax losses incurred by a company in the conduct of its trading activities during a tax period of assessment may be utilized in the following order:

- Offset against any taxable trading profits which have arisen in the preceding tax period of assessment
- Offset against any non-trading profits which have arisen in the same tax period of assessment on a value basis
- Offset against any taxable trading or non-trading profits which have arisen in the same tax period of assessment by reason of a surrender of such losses to any relevant subsidiary which is within the same Corporation Tax group as a company defined under the provisions of the Tax Laws. It is noted that the Company does not hold any such Irish tax resident Subsidiaries which would form part of such a Corporation Tax group as of the date of this Statement.

Any balance of Corporation Tax losses which remain unutilized as at the end of any tax period of assessment may be carried forward without any time limit to be available for offset against any taxable trading profits arising from the same trading activity undertaken by a company to which such losses refer.

It is noted that the Company has incurred Corporation Tax trading losses up to and including the tax period of assessment ended 31 March 2021. There is a balance of Corporation Tax losses forward as at the end of the tax period of assessment ended 31 March 2021 which should be available for offset against any future taxable trading profits which may arise as part of the ongoing conduct of the same trading activity. The carry-forward of accumulated trading losses of a company will be disallowed where there has been both a change in ownership of the company and a major change in the nature or conduct of the trade carried on.

(3) Taxation of management expenses

The Tax Laws permit any company which is considered to be an investment company as defined below which is resident in the Republic of Ireland to deduct, in computing its Corporation Tax taxable profits for any accounting period, any items expensed which are considered to be management expenses.

An investment company is defined as such company whose business consists wholly or mainly of the making of investments and the principal part of whose income is derived from the making of investments.

It is noted that the Company, in addition to its trading activity, also holds investments in a number of subsidiaries which are resident for tax purposes in various jurisdictions other than the Republic of Ireland. We understand based on representations from the Company in this regard that the Company's business consists mainly of that of

a trading company for Corporation Tax purposes and the principal part of its income is derived therefrom, and the Company does not accordingly consider itself to be an investment company at present. The Company has not identified any expenses incurred during the tax periods of assessment to date which may be considered as management expenses.

We understand that the Company maintains an ongoing review and assessment of this matter as part of its review during each tax period of assessment.

(4) Research and Development ('R&D') Tax Credit in respect of expenditure incurred on qualifying R&D activities

The Tax Laws provide for tax credit calculated as 25% of qualifying expenditure on qualifying R&D activities undertaken by a company. This credit is in addition to the Corporation Tax deduction which is allowed for such expenditure on R&D in calculating the Corporation Tax profit for a company in respect of any period of assessment.

R&D is defined for the purposes of the R&D Tax Credit as per the provisions of the Tax Laws and the Taxing Authorities Guidelines. Qualifying activities must satisfy all of the following conditions. They must be systematic, investigative or experimental activities in a field of science or technology in the category of either basic research, applied research or experimental development. In addition, they must seek to achieve scientific or technological advancement and involve the resolution of scientific or technological uncertainty.

The Tax Laws and the Taxing Authorities Guidelines also set out the details qualifying expenditure in respect of R&D, which items can include direct expenses incurred wholly and exclusively by the Company in the carrying by it on of its qualifying R&D activity and certain sub-contracted R&D expenditure which the company may incur (subject to relevant limits and conditions which apply). A company is obliged in accordance with the provisions of the Tax Laws and the Taxing Authorities Guidelines to maintain contemporaneous documentation in support of the qualifying nature of the R&D activities and the calculation of the R&D Tax Credit in the event that such documentation is requested by the Taxing Authorities at a later date.

The R&D Tax Credit can be used to reduce the Corporation Tax liability of a company's current tax period of assessment and can also be carried back to the previous tax period of assessment. Any such credits which may be unused as at the end of a tax period of assessment can be carried forward to offset against Corporation Tax liabilities which may arise in respect of subsequent tax periods of assessment.

In the event that a company does not have a sufficient Corporation Tax liability to utilize the credit in full as part of any tax period of assessment, it is possible for such company to obtain a cash tax refund of the tax credit over a period of three years, subject to certain conditions. It is also possible in certain circumstances for a company should they wish to do so to surrender the R&D Tax Credit to key employees engaged in R&D activities in order to reduce an employee's personal tax liability, subject to conditions.

It is noted that the Company has claimed a R&D Tax Credit up to and including the tax period of assessment ended 31 March 2021. Given that the Company has reported Corporation Tax losses for these tax periods of assessment, the Company has benefited from a cash tax refund of the R&D Tax Credits claimed. The Company also has a balance of R&D Tax Credit to carry forward at the end of the tax period of assessment ended 31 March 2021 which should be available for offset against any future Corporation Tax liabilities or give rise to a future cash tax refund. It is further noted that the Company has engaged the services of a professional third party adviser who specializes in the area of R&D Tax Credit in order to assist in the review and preparation of relevant documentation to support the Company's claim to the R&D Tax Credit in any tax period of assessment.

(5) Tax treatment of interest incurred for the purposes of trading activity

The Tax Laws provide that interest incurred in respect of monies borrowed wholly and exclusively for the purposes of a trade carried on a company shall be deductible for Corporation Tax purposes on an accruals basis, meaning such interest can be deducted in arriving at the taxable profit for Corporation Tax purposes in the tax period of assessment during which such interest is incurred.

It is noted that the Company has obtained loan finance, both from external third party lending institutions and its Parent, which has been drawn down for the purposes of the Company's trading activity. Any such interest has

been treated by the Company as deductible for Corporation Tax purposes in the tax period of assessment during which such interest was incurred.

It is noted that interest which is paid by a company resident in the Republic of Ireland to a 75% parent company who is a non-resident can be treated as a distribution in cases where the Double Taxation Agreement / Multilateral Instrument contains a definition of dividends which includes such interest payments which can be deemed to be distributions under the provisions of the Tax Laws. It is noted however that, even in the event that the Double Taxation Agreement / Multilateral Instrument may allow for such treatment to apply, it is still generally accepted by the Taxing Authorities to treat such interest paid by a company as deductible for Corporation Tax purposes. It is also possible for a company to make a relevant election as provided for under the Tax Laws as part of its Corporation Tax return in order to avoid the application of such treatment.

(6) Tax treatment of interest incurred for the purposes of investment in overseas subsidiaries

The Tax Laws provide that interest incurred in respect of monies borrowed which are specifically used to either:

- acquire shares in another trading company (referred to as the 'investee company'), or

- to onward lend such monies to another trading company, a company engaged in a rental activity in the Republic of Ireland, or a holding company of either a company engaged in a trading activity or a rental activity in the Republic of Ireland (referred to as the 'borrowing company'),

shall be deductible for Corporation Tax purposes on a paid basis, meaning such interest can be as treated as a charge on income for Corporation Tax purposes in the tax period of assessment during which such interest is paid.

This relief is subject to certain conditions as provided for under the Tax Laws, the details of which are summarized below:

(i) The company paying the interest must have material interest in the investee company or the borrowing company, which is defined as a shareholding of greater than 5% of the equity share capital,

(ii) During the period from the application of the loan to the date of payment of interest, there must be at least one common director on the board of directors of the lender company and the investee company/the borrowing company, and

(iii) There is no actual or deemed recovery of capital during the period from the application of the loan to the date of payment of interest. This also applies to the two year period prior to the application of the loan which is the subject of a claim to relief

The interpretation of the rules is complex and may require clarification from the Taxing Authorities in certain cases. Interest as a charge relief will not be available when interest is paid by an investing company on a loan made to it by a company which is connected with it where the loan is used to acquire ordinary share capital of a company from a company that is also connected with the investing company or to on-lend to another company which uses the funds directly or indirectly to acquire capital of a company from a company that is connected with the investing company.

As noted above, where the conditions for the relief have been satisfied, a charge on income should apply to the interest on a 'paid' basis only within each tax period of assessment. The relief is available solely in the tax period of assessment to which is related, and cannot be carried forward for use against taxable profits or Corporation Tax liabilities of the company in respect of subsequent periods of assessment.

It is noted that the Company has obtained loan finance from external third party lending institutions, which has been drawn down for the purposes of the Company's acquisition of equity share capital in a number of Subsidiaries and used to lend monies to such Subsidiaries for the purposes of their trading activities. The first such interest paid in respect of such loans was paid during the tax period of assessment ended 31 March 2021. The Company has represented that the relevant conditions as outlined above in respect of such loans and related interest should have been met by the Company such that a charge on income should be available is respect of such interest paid during the tax period of assessment ended 31 March 2021. The charge on income is available for offset against any profits which are subject to Corporation Tax (be that trading or non-trading profits) realized in the tax period

of assessment. Certain qualifying investment companies can also carry forward any such excess charges on income as management expenses subject to satisfying certain conditions.

(7) Capital Allowances available in respect of capital expenditure on qualifying plant and machinery

The Tax Laws provide that capital allowances (tax depreciation) are available in respect of capital expenditure on qualifying plant and machinery which is incurred during a tax period of assessment, and which assets are in use of the purposes of a company's trade at the end of any tax period of assessment. Such capital allowances are available over eight tax periods of assessment (i.e. a rate of 12.5% of the cost of such qualifying plant and machinery) and allowed as a deduction in arriving at the taxable trading profits of a company for Corporation Tax purposes in the tax period of assessment. Qualifying plant and machinery refers illustratively to such items as, but which examples are not intended to be exhaustive, office fixtures, computer equipment, computer software, and certain vehicles.

Based on the representations provided by the Company, it is noted that the Company claims as part of its Corporation Tax return capital allowances in respect of any items of qualifying plant and machinery which are acquired for the purposes of the Company's trade and which are in use for the purposes of the trade at the end of the tax period of assessment.

(8) Industrial Buildings Allowances available in respect of capital expenditure on qualifying industrial buildings

The Tax Laws provide that industrial buildings allowances are available in respect of capital expenditure on qualifying industrial buildings which is incurred during a tax period of assessment, and which assets are in use of the purposes of a company's trade at the end of any tax period of assessment. Such industrial buildings allowances are generally available over twenty-five tax periods of assessment (i.e. a rate of 4% of the cost of such industrial buildings allowances) and allowed as a deduction in arriving at the taxable trading profits of a company for Corporation Tax purposes in the tax period of assessment. A qualifying industrial building refers illustratively to such items as, but which examples are not intended to be exhaustive, a factory or a mill, and does not extend in its meaning generally to a building solely used as an office or storage facility.

Based on the representations provided by the Company, it is understood that the Company does not hold any such qualifying industrial buildings during the tax periods of assessment, and hence no such claims have been made for such allowances as part of any Corporation Tax return filed to date.

(9) Accelerated Capital Allowances available in respect of capital expenditure on qualifying energy efficient plant and machinery

The Tax Laws provide that an accelerated claim to capital allowances is available in respect of capital expenditure on qualifying energy efficient plant and machinery which is incurred during a tax period of assessment, and which assets are in use of the purposes of a company's trade at the end of any tax period of assessment. Such accelerated capital allowance is generally available in the tax period of assessment during which the expenditure was incurred (i.e. a rate of 100% of the cost of such qualifying energy efficient plant and machinery) and allowed as a deduction in arriving at the taxable trading profits of a company for Corporation Tax purposes in the tax period of assessment. Qualifying energy efficient plant and machinery are determined in line with a specified list of such items as provided for by the Tax Laws, and can refer illustratively to such items as, but which examples are not intended to be exhaustive, lighting, heating systems, cooling systems, motors or drives.

Based on the representations provided by the Company, it is understood that the Company did not acquire any such qualifying energy efficient plant and machinery during the tax periods of assessment, and hence no such claims have been made for such allowances as part of any Corporation Tax return filed to date.

(10) Capital Allowances available in respect of capital expenditure on qualifying specified intangible assets

The Tax Laws provide that for tax relief for capital expenditure incurred on the provision or acquisition of specified intangible assets for the purposes of a trade. Capital allowances are available in respect of expenditure in respect of qualifying specified intangible assets which is incurred during a tax period of assessment and which assets are in use of the purposes of a company's specific trade relating to such intangible assets at the end of any tax period of assessment. Such specified intangible allowances are generally available over the accounting life of the asset (as reflected in the financial Statements) or a period of fifteen years, and allowed as a deduction in

arriving at the taxable trading profits of a company in respect of such specified intangible asset trade for Corporation Tax purposes in the tax period of assessment. Qualifying specified intangibles are defined under the Tax Laws, and can include, patents, copyright, computer software acquired for commercial exploitation, goodwill (only to the extent that it is attributable to other qualifying intangibles), and customer lists. A clawback of the capital allowances can occur where the related specified intangible asset disposed of by the company in certain circumstances.

Under the legislation, the aggregate amount of any allowances and related interest expense in funding an acquisition of intangible assets in an accounting period shall not exceed 80% of trading income from the relevant trade. Therefore, at a minimum 20% of income will be left in charge.

Based on the representations provided by the Company, it is understood that the Company did not acquire any such qualifying specified intangible assets during the tax periods of assessment, and hence no such claims have been made for such allowances as part of any Corporation Tax return filed to date.

(11) Knowledge Development Box regime which applies by way of a reduced rate of Corporation Tax in respect of trading income derived from the exploitation of qualifying patent and intellectual property

The Tax Laws provide for a Knowledge Development Box (KDB) which is a corporation tax relief which is in line with OECD's approach to preferential tax regimes. The KDB provides that profits from patented inventions and copyrighted software (qualifying assets) earned by an Irish company, can, to the extent it relates to Research and Development (falling within the definition of R&D for R&D Tax Credit purposes (refer (4) above) undertaken by that company, be effectively taxed at a rate of 6.25%. Specific rules determine how the amount of the profits arising from the qualifying assets that can avail of the relief will be determined. The relief is currently available under the Tax Laws until 31 December 2022. Detailed records are required to be maintained to verify a company's entitlement to the relief.

Based on the representations provided by the Company, it is understood that the Company did not hold any such qualifying intellectual property during the tax periods of assessment, and hence no such claims have been made for such relief as part of any Corporation Tax return filed to date.

(12) Reduced Employer's PRSI cost for companies availing of certain benefits introduced in response to the Covid-19 pandemic

The Government of Ireland introduced a number of measures to support businesses in respect to the Covid-19 pandemic, which included provision of wage supports under the Temporary Wage Subsidy Scheme ('TWSS') between 22 March and 31 August 2020, and the Employment Wage Subsidy Scheme ('EWSS') which commenced on 1 September 2020 and remains in operation as of the date of this letter. The schemes were administered by the Taxing Authorities and were subject to various conditions in order to participate in the scheme, the primary such conditions being that a company would have to demonstrate a prescribed level of reduction in its turnover and/or customer orders for the period as prescribed under the Tax Laws (a reduction of 25% in the context of TWSS and 30% in the context of EWSS), and that such reduction was an a consequence of the impact of the Covid-19 pandemic. One aspect of these supports was a reduced Employer's PRSI cost in respect of any employments covered under the scheme, being a rate of 0.5% applicable as opposed to the standard rate of such contribution of 11.05%.

It is noted that the Company availed of the TWSS in respect of the period from 22 March to 30 June 2020, during which time the reduced rate of 0.5% of Employer's PRSI would have applied to the Company. We understand that the Company did not make any further claims to TWSS after 30 June 2020 nor did the Company make any claims to EWSS to date.

(13) Taxation treatment of dividend income received from subsidiary entities

The Tax Laws provide that dividends received by an Irish resident parent company from trading profits of an overseas subsidiary, resident in an EU country or in a country with whom the Republic of Ireland has a Double Taxation Agreement/Multilateral Instrument, and which are paid out of trading profits, shall be taxed at the trading rate of Corporation Tax being 12.5%. The Tax Laws also provide for a credit in respect of any tax paid by the subsidiary on the profits from which the dividend was paid (referred to as 'underlying tax') and/or any foreign withholding tax suffered, subject to certain conditions.

The Tax Laws provide that other foreign dividends are generally taxed at the passive rate of Corporation Tax being 25%. The Tax Laws also provide for a credit for foreign withholding tax suffered and underlying tax, subject to certain conditions.

It is noted that that the Company did not receive any such dividend income from any of its Subsidiaries during the tax periods of assessment to date.

(14) Taxation treatment on the disposal of any shareholding interest held in a subsidiary entity

The Tax Laws provide that there is no Irish CGT on the disposal of substantial shareholdings. A substantial shareholding is a holding of at least 5% in an investee company, which investee company is resident for tax purposes in an EU country (including Ireland) or in a country with whom the Republic of Ireland has a Double Taxation Agreement/Multilateral Instrument. There is a minimum 12 month holding period required in order to avail of this relief, and the investee company itself must be a trading company or be a member of what is primarily a trading group. The exemption does not apply to any disposal of shares in a company which derives the greater part of its value from Irish land and buildings.

It is noted that that the Company did not dispose of any substantial shareholdings in its Subsidiaries during the tax periods of assessment to date.

B. POTENTIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE TAX LAWS

The Statement of potential tax benefits outlined below is as per the provisions of the Tax Laws. These potential tax benefits are dependent on the Company fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives it faces in the future, it may or may not choose to fulfill.

(1) VAT rate of 0% available in respect of the sale of certain qualifying medical products

The Tax Laws provide for a 0% rate of VAT to be applicable in respect of the sale of certain qualifying medical products. For illustrative purposes see below list which is not exhaustive:

- angio stents, drug eluting stents and biliary stents. Such stents within the scope of the 0% rate refer to medical products which are permanently implanted to re-open arteries and ducts. A concession as published by the Taxing Authorities also extents the 0% rate to a stent supplied which is attached to the balloon element which is crimped around a catheter and sold as a unit.

We understand that the Company does engage in the sale of certain medical products being angio stents which may come within the remit of the 0% rate. We further understand that the Company's sales of such medical products are made to customers based outside of the Republic of Ireland. This being the case, the 0% rate of VAT should apply in any event on the basis that this is also the appropriate rate of VAT which applies to the sale of such goods to business customers who are either based in another EU Member State or outside of the EU (please see further commentary outlined below).

(2) Exemption available from the imposition of VAT on the goods and services acquired by certain qualifying companies

The Tax Laws provide that the sales of goods from the Republic of Ireland which are dispatched to business customers in another EU Member State or outside of the EU can be made at the 0% rate of VAT. A special regime applies to businesses where 75% of the business revenues are derived from sale of goods to VAT registered customers in the EU or customers outside the EU. This regime allows such companies to obtain a special authorization (referred to as a 'VAT56B authorisation') to purchase most goods and services which they acquire without incurring a charge to Irish VAT (subject to some exceptions).

It is noted that the Company currently holds as of the date of this Statement such VAT 56B authorization by reason of the fact that the conditions are met as of the date of this Statement and such application for authorization has been formally approved by the Taxing Authorities. The validity of such authorization is subject to the Company satisfying the conditions for the authorization on an ongoing basis.

(3) Postponed Accounting for VAT available on the importation of goods into the Republic of Ireland from outside of the EU

The Tax Laws provide, with effect from 1 January 2021, for a system of Postponed Accounting for VAT available on the importation of goods into the Republic of Ireland from outside of the EU. This system effectively allows for any charge to VAT which may arise on the importation of such goods to be deferred to a company's periodic VAT return, thereby giving a cash flow advantage to the company.

It is noted that, whilst the Company qualifies for such system of Postponed Accounting for VAT, the system is not of any immediate benefit to the Company. This is by reason of the fact that the Company currently holds the VAT 56B authorization which allow for such importation of goods into the Republic of Ireland from outside of the EU to be acquired at a 0% rate of VAT.

Notes

1. These direct and indirect tax benefits are dependent on the Company fulfilling the conditions prescribed under the relevant provisions of the Direct and Indirect Tax Laws. Hence, the ability of the Company to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfil.

2. The direct and indirect tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for a professional tax advice. This Statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. Any potential future investor in the equity of Sahajanand Medical Technologies Pvt Limited is advised to consult their own tax consultants with respect to the specific tax implications arising out of their participation in the initial public offering.

3. The Statement is prepared on the basis of information provided by the Management of the Company and there is no assurance that:

I. The Company will continue to obtain these benefits in future;
II. The conditions prescribed for availing the benefits have been / would be met with; and
III. The revenue authorities / courts will concur with the view expressed herein.

The above views are based on the existing provisions of law, the interpretation and applicability of which may be subject to change from time to time

SECTION IV – ABOUT OUR COMPANY

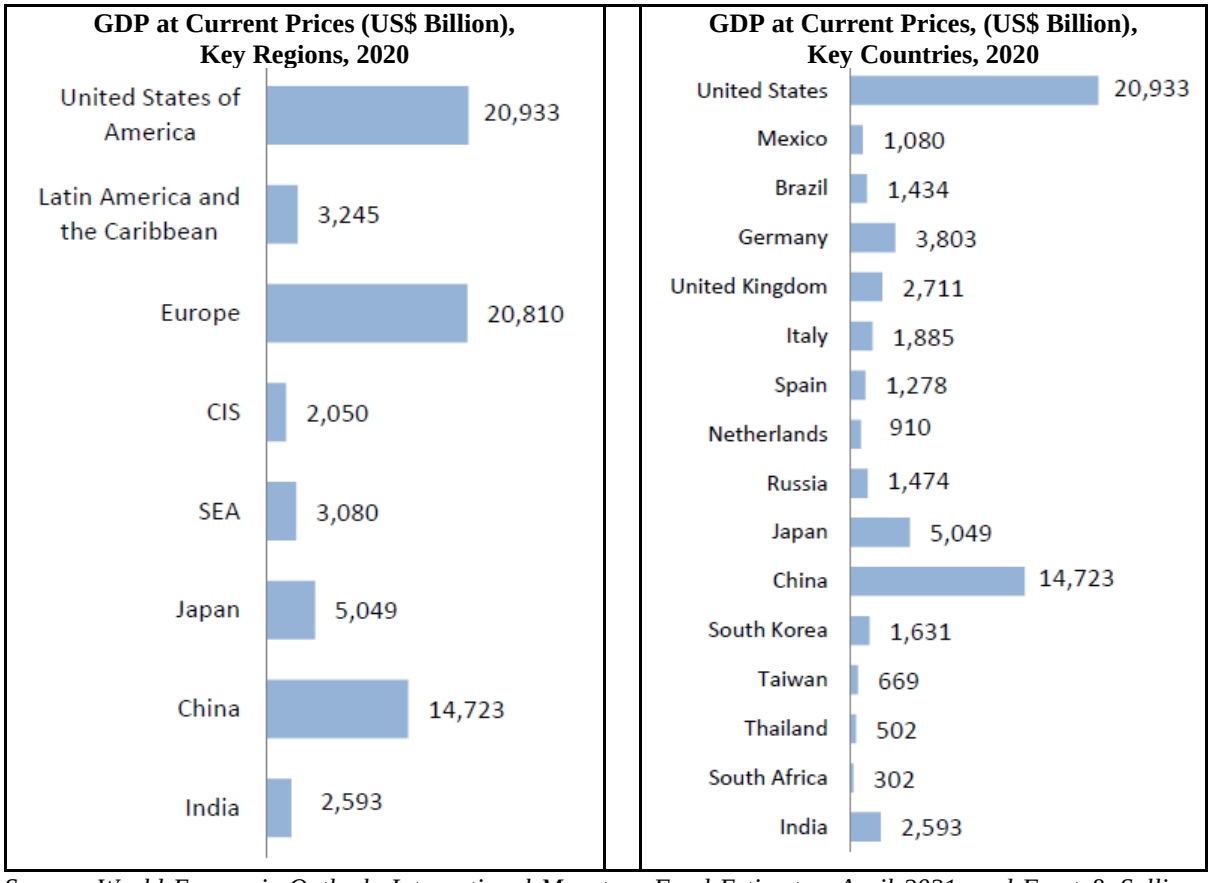
INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section is obtained or extracted from the "Independent Market Report on Vascular Devices Market in Select Geographies" dated August 20, 2021 (the "**Frost & Sullivan Report**") prepared and issued by Frost & Sullivan, on our request. We have commissioned the report for the purposes of confirming our understanding of the industry in connection with the Offer and the report has been paid for by our Company for an agreed amount. Neither we nor any other person connected with the Offer have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on, this information.*

Macroeconomic Indicators in Major Countries

Being one of the most developed nations globally, the United States of America (USA) has the highest GDP at current prices, followed by Japan and the European region.

India with its GDP at USD 2,593 billion in 2020 is one of the best performing countries in the South Asian region.

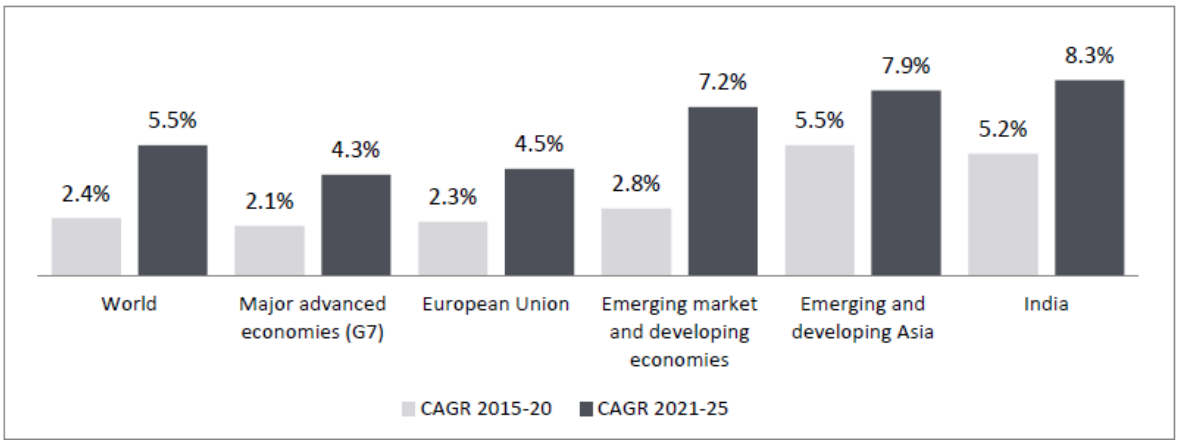


Source: World Economic Outlook, International Monetary Fund Estimates, April 2021, and Frost & Sullivan Analysis

Emerging Markets like India have Better GDP Growth Outlook than Established Countries

Most developed economies within the G7[1] countries and European Union have witnessed steady growth for decades; however more recently have witnessed much slower growth, where GDP grew only at a CAGR of 2.1-2.3% from 2015 to 2020. In the post COVID-19 era, developed economies are projected to be growing at a CAGR of 4.3-4.5% over the period 2021-2025, while emerging economies, such as India, are expected to grow at a much higher CAGR of around 8.3% during the same time period. This demonstrates the considerable opportunities available in India for companies seeking strong growth prospects in the next decade. This projected economic growth is expected to improve the overall standards of living for the approximate 1.38 billion people within the country, drive higher domestic consumption, and provide economic stability to the growing middle class population, resulting in an increase in spending on healthcare.

GDP Growth Outlook (Historical + Projections), Global, 2015-2020, 2021-2025



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

Currently India's Total Healthcare Expenditure is Low due to Lack of Universal Healthcare Coverage

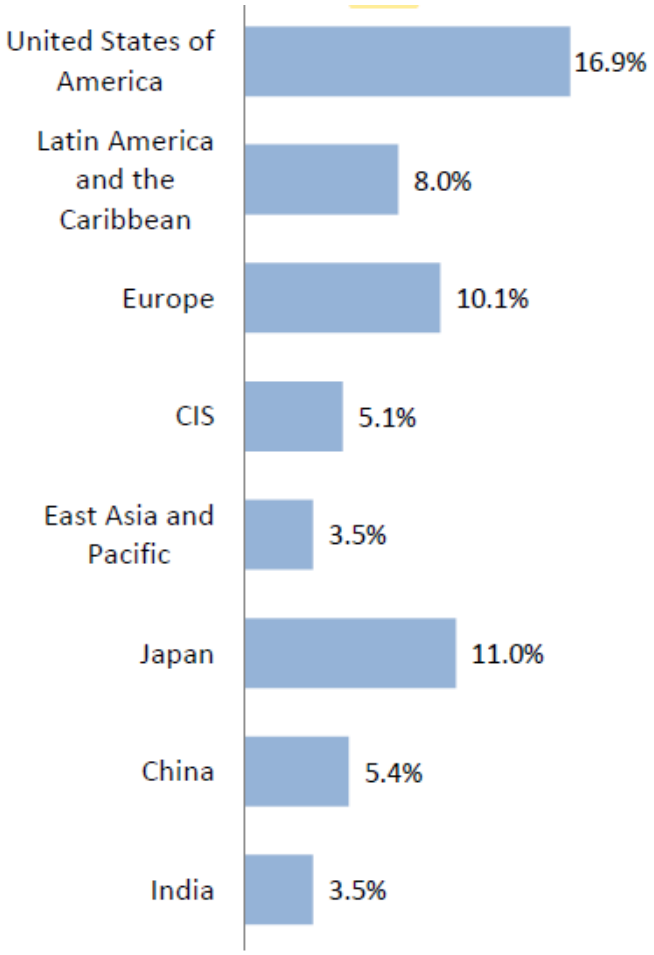
Healthcare expenditure is a combination of a country's public and private healthcare expenditure. Generally, developed countries have established health systems which offer services to a larger proportion of their population and in some cases, offer universal healthcare to all of their population. Whilst developed countries often adopt initiatives to increase private participation and improve efficiency to reduce public health spend, overall these countries continue to experience higher healthcare expenditure than developing countries. Proportionally, developing countries spend less on healthcare and their health systems have much less service penetration into the population.

Current Healthcare Expenditure as a % of GDP for India is Likely to Increase Driven by Government Expenditure

The Indian government is working on a range of initiatives to enhance healthcare. Recent initiatives, designed to increase healthcare infrastructure (e.g. rural and remote areas, Ayushman Bharat Yojana, Production Linked Incentive Scheme (PLI) etc.), and enable greater access to and management of chronic diseases, are expected to contribute to an increase in government healthcare spending into the near term.

[1] An inter-governmental political forum consisting of Canada, France, Germany, Italy, Japan, the United Kingdom and the United States of America.

Current Healthcare Expenditure as % of GDP, Key Regions, 2018



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

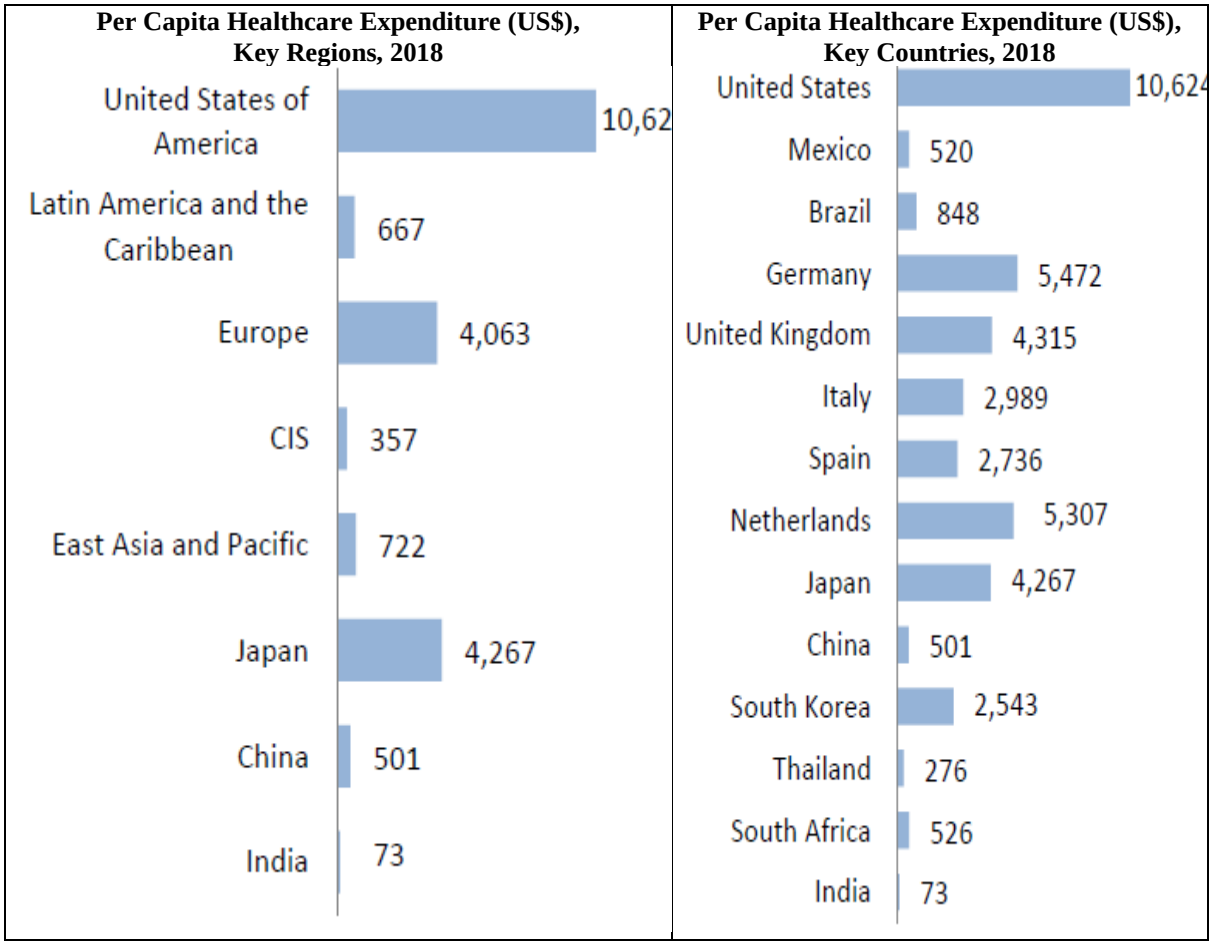
Public Healthcare Expenditure as % of GDP, Key regions, 2018

Countries	Public Expenditure on Health in 2018 (% of GDP)
Japan	9.21%
Brazil	3.96%
China	3.0%
USA	8.51%
South Korea	4.42%
Italy	6.40%
UK	7.85%
Germany	8.87%
India	0.95%

Source: OECD

Compared to the other major economies, India's public healthcare expenditure was the lowest, at 0.9% of GDP in 2018.

India's Per Capita Healthcare Expenditure is one of the Lowest in the World

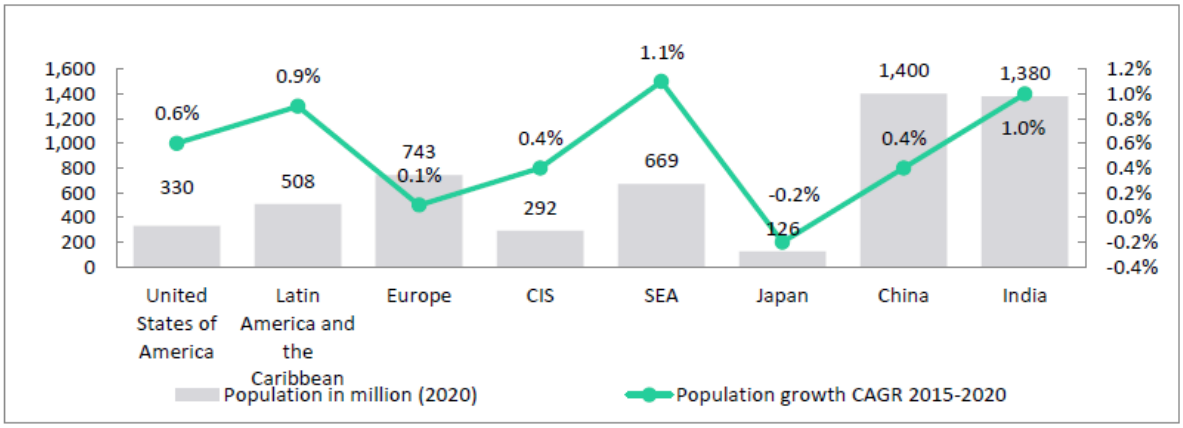


Source: World Health Organization Global Health Expenditure database, 2021 update

Rising Proportion of Aging Population Creates Multiple Challenges for the Country

China holds the world's largest population at around 1,400 million people. Whilst India is close second with around 1,380 million, India is growing at a faster rate than other countries and is expected to soon be the world's most populated nation. Whilst populations are growing, in many countries they are also aging, whilst the incidence of chronic and non-communicable diseases is increasing in most places. When combined, these factors will continue to place additional pressure on the health system, driving greater demand for acute care, ambulatory care, preventative care, and surgical interventions. As population continues to age, countries witness an increase in the prevalence of chronic non- communicable diseases, such as cardiovascular, orthopedic and neurovascular interventions.

Population in Million, Key Global Regions, 2020

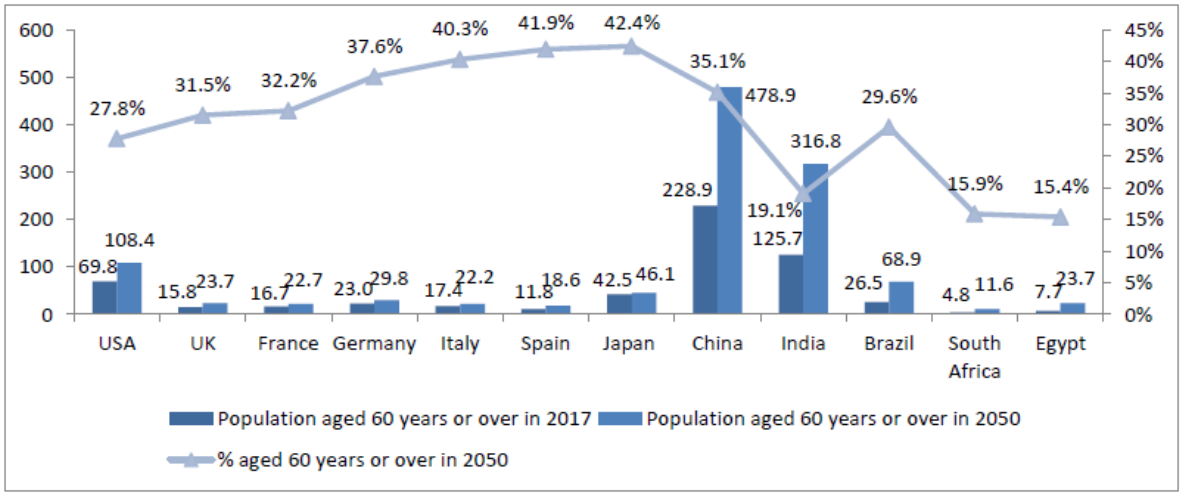


Source: World Economic Outlook, International Monetary Fund Estimates, April 2021, and Frost & Sullivan Analysis
Note: Latin America and the Caribbean includes South America, Central America and Caribbean

Aging Population >70 years age (as % of Total Population), Key Countries, 2015-2020

As per the WHO projections by 2050, 80% of older people will be living in low- and middle-income countries. The vast majority of these aged populations, as shown in the table below, will be found in China, India and Brazil.

Aging Population Projection (Million), Key Countries, 2017-2050

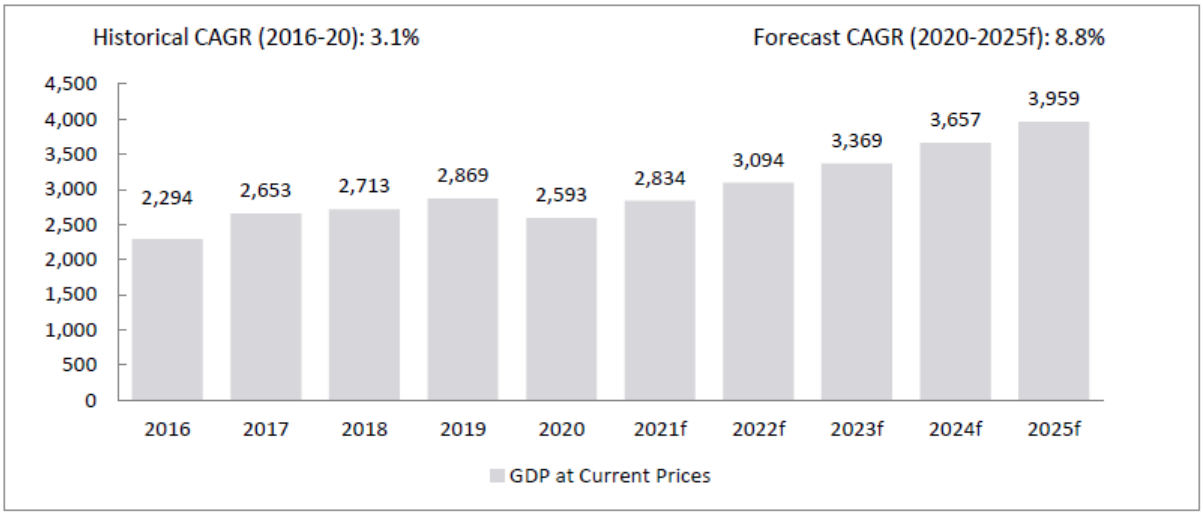


Source: WHO

Introduction to the Indian Economy

India is one of the world's fastest growing economies. India's GDP at current prices is USD 2,593 billion in 2020 and is estimated to grow at a CAGR of 8.8% from 2020 to 2025.

GDP at Current Prices and GDP Growth (US$ Billion), India, 2016-2025f



Source: International Monetary Fund (IMF), World Bank, Frost & Sullivan Analysis

Growing Share of Old Age People in India's Population is Fuelling the Growth of Chronic Diseases in the Country

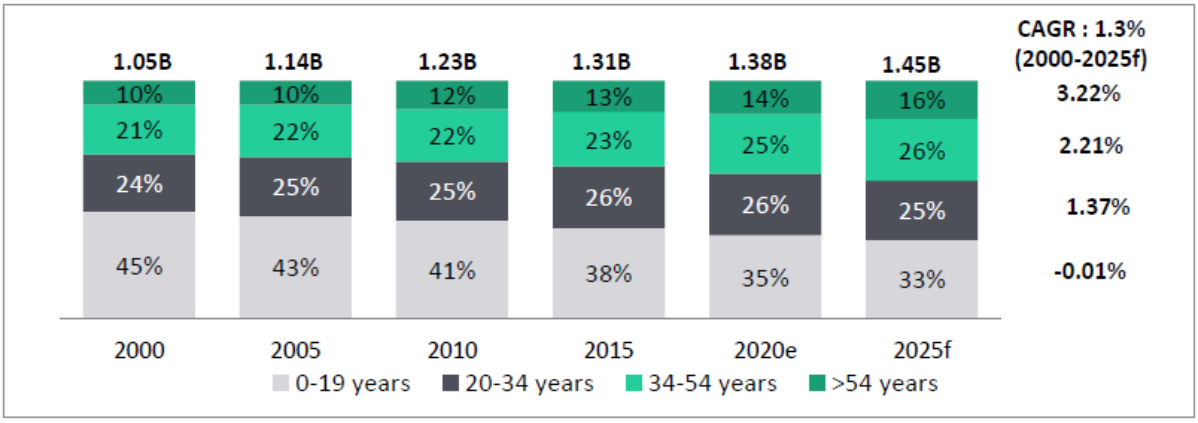
Around two-thirds of the world's elderly population lives in developing countries currently. In 2020, 14% of the total population in India was estimated to be aged above 54 years and is expected to increase to 16% by 2025.

An aging population is expected to increase the burden on the healthcare system in emerging economies.

The old age population is at much higher risk of healthcare issues, which in turn lead to increased spending on long-term care.

Non-communicable diseases are one of the biggest drivers in increasing the mortality rates in India, where NCDs contribute to around 78% of all deaths in the population aged between 65-69 years.

Age Group Wise Classification of Population, India, 2000-2025f

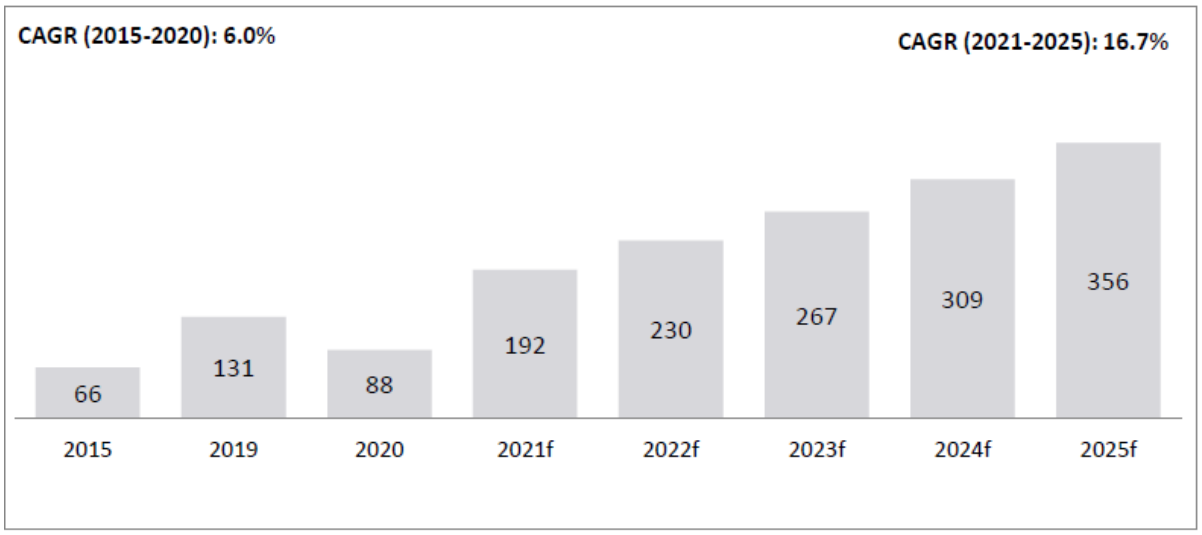


Source: United Nations Population Division, World Population Prospects (2019 Revision), Frost & Sullivan Analysis

Size and Structure of Healthcare Delivery System in India

The healthcare delivery industry is expected to grow at a CAGR of 16.7% during 2021-2025, reaching USD 356 billion in 2025

Healthcare Delivery Market Revenue Forecasts (US$ Billion), India, 2015-2025f



Source: Frost & Sullivan analysis

The healthcare delivery segment is largely driven by private sector participants who operate around 63% of the total hospitals in India; of the privately operated hospitals, organized private corporate hospitals comprise less than 10%.

Healthcare Manpower in India

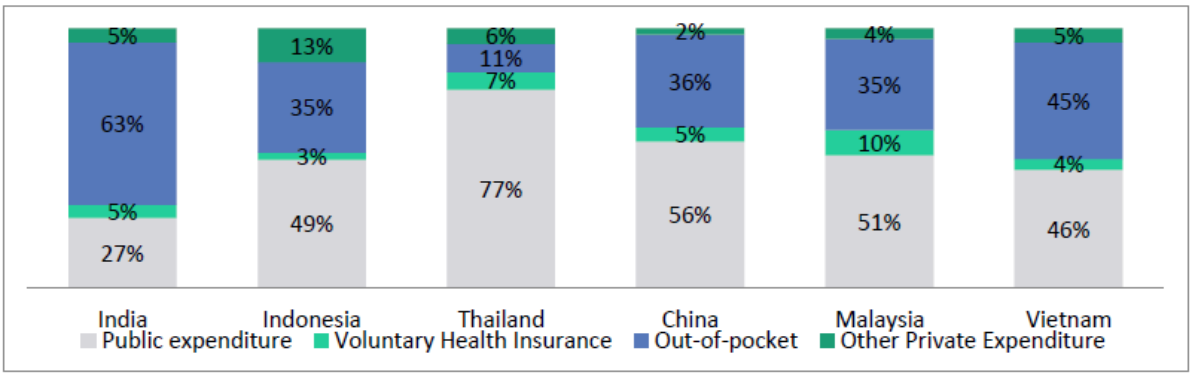
India healthcare sector faces an acute deficit of trained and skilled workers.

The concentration of healthcare workers is higher in urban regions and particularly in the private sector, creating a shortage in rural areas. Nearly 70% of doctors are concentrated in urban India, serving 34% of the total population. These shortages have led to government initiatives to increase the expenditure on medical education and infrastructure.

Public and Private Healthcare Expenditure

Public expenditure on healthcare in India was estimated to be in the range of ~20-27% of the total expenditure from 2000 to 2018. This is significantly lower than other Asian countries such as China (~56%), Thailand (77%) and Malaysia (51%). This proportionately lower public expenditure increases the out-of-pocket expenses for India's population.

Breakdown of Financing of Current Healthcare Expenditure, Countries Comparison, 2018

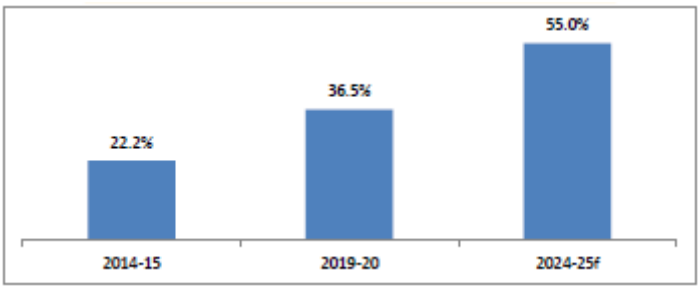


Source: World Health Organization Global Health Expenditure database, 2021

Health Insurance Trends in India

The COVID-19 pandemic is prompting more and more people to consider the benefits of health insurance coverage. When combined with corporate health insurance plans, Frost & Sullivan expects health insurance coverage to reach 55% of the total population in India by 2024-2025.

Health Insurance Penetration, India, 2014-2025f

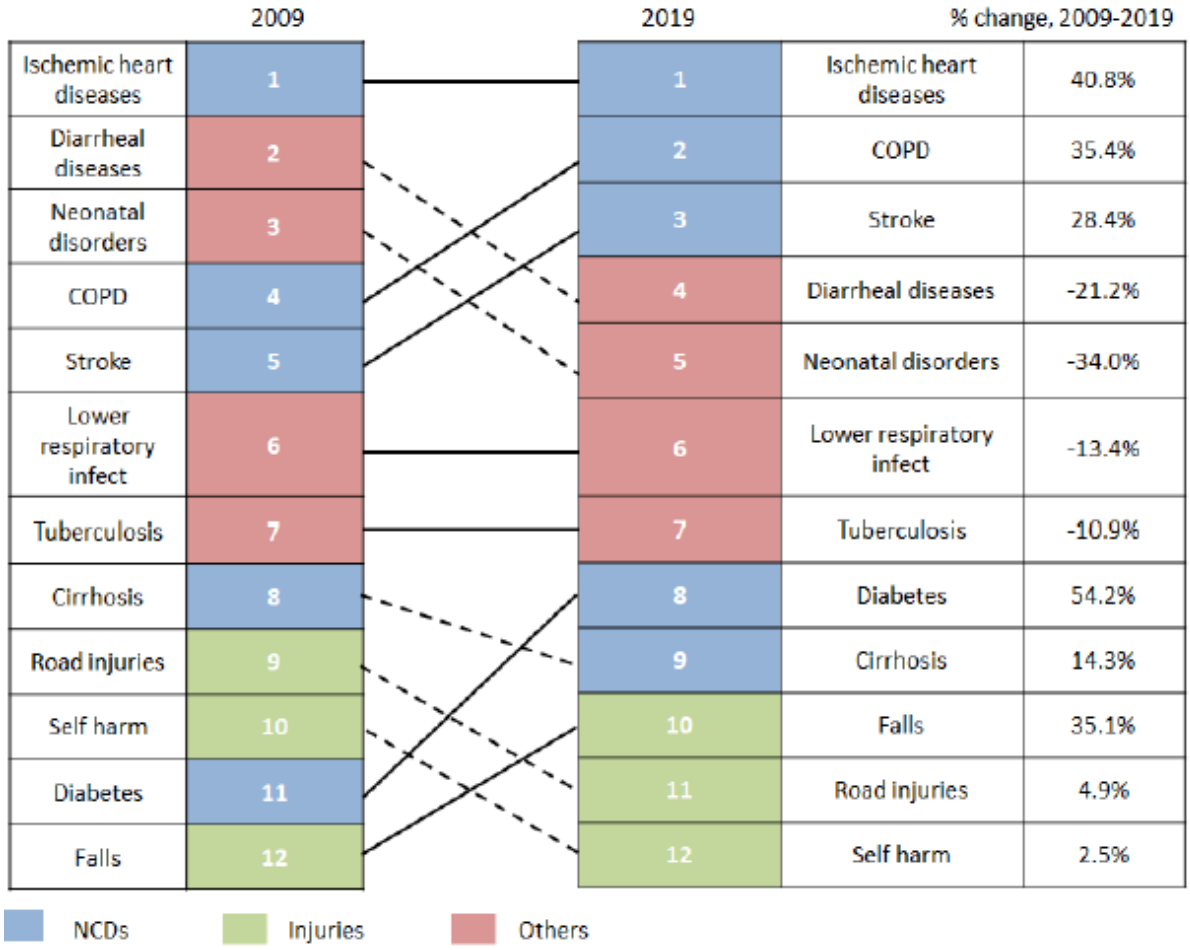


Source: IRDAI Annual Reports, Frost & Sullivan analysis

Chronic Disease Trends in India

NCDs have become one of the biggest challenges for the Indian healthcare system. Analysis of prevalence trends of NCDs from 2000 to 2019 show the huge jump in deaths due to NCDs, with the maximum change encountered for diabetes, followed by ischemic heart diseases, COPD and stroke. All of these diseases have displaced communicable diseases as the major cause of deaths since 2000. A 2016 WHO report also highlighted the plight of NCDs in India, which are responsible for about 63% of all deaths. 2025 projections show declining premature deaths due to NCDs with men being at higher risk compared to women in India.

Deaths Caused due to Different Diseases (in %), India, 2009-2019



Source: Healthdata.org

- **Diabetes**: Diabetes is a prime risk factor for cardiovascular disease (CVD). The International Diabetic Federation determined that India was home to about 77 million diabetics (aged 20-79) in 2019, behind only China with 116 million. Diabetes in India is expected to double to 153 million by 2045.

- **Obesity**: India is ranked third globally with nearly 65 million obese people in 2017. Growing prevalence of obesity is expected to be a significant growth driver for demand of wellness services.

- **Cardiovascular disease**: More than three million Indians died from CVD in 2020 and as per WHO estimates, by 2030 CVD will be the main cause of death throughout India, accounting for more than 35% of all deaths.

- **Cancer**: Cancer is responsible for about 9% of NCD deaths in India.

- This has led to the various government initiatives to better manage NCD prevalence in the country. The government has invested in clinics with an exclusive focus on NCD diagnosis. In 2020, there were 665

District NCD Cells, 637 District NCD Clinics, 4472 CHC NCD Clinics, 181 Cardiac Care Units and 218 Day Care Units functional and developed as part of this initiative in the country. Around 6.61 crore population were screened for NCDs in these facilities in 2019-2020.

The above trends increased the overall penetration in diagnosis of chronic diseases with increase in number of patients from tier II and tier III cities.

Impact of COVID-19 on the Healthcare Industry in India

- COVID-19 is likely to reduce revenues across healthcare sectors in the short-term, but returning to normal levels in the long-term. Short-term deterrents include supply chain disruptions, reduced footfalls in hospitals, delays in elective surgery, and temporary export bans.

- In 2020, The Union Cabinet chaired by Prime Minister Narendra Modi approved an additional investment to promote domestic manufacturing of bulk drugs (INR 99,400 crore) and medical devices (INR 38,200 crore). The government has taken an initiative to boost domestic manufacturing and attract large investments in the medical device sector. The Department of Pharmaceuticals had launched a Production Linked Incentive (PLI) Scheme to promote domestic manufacturing of medical devices to ensure that the domestic manufacturers of medical devices have equal support with a total financial outlay of INR 3,420 crores for the period 2020-21 to 2027-28. Sahajanand Medical Technologies Limited (SMT), Innvolution Healthcare and Integris Health Private are a few of the companies that have been approved for domestic manufacturing in the vascular devices sector.

- The country has one of the lowest manufacturing labor costs in comparison to other countries. The hourly compensation costs in India were estimated to be less than $ 2 per hour in 2018, in comparison to $ 32.42 in UK and $ 5.51 per hours in China. The vast difference in costs makes India an attractive market for manufacturing. With around 1-1.4 million engineering graduates annually, the country has enough potential for skilled labor to support technical aspects as well.

Impact of Ayushman Bharat on Healthcare Sector in India

Since its implementation large number of hospitals has been empaneled under PMJAY. As per the current estimates, more than 23,000 hospitals are currently part of this scheme, in which 50% of the empaneled hospitals are estimated to be private hospitals. It is important to note that there were only 46.5 lakhs hospital treatments (inpatient admissions with or without surgery and other consultations) and 18,236 hospitals empaneled in 2018-2019, showcasing the high growth and adoption of these initiatives.

With the government's focus on improving the infrastructure of 1,50,000 health centers, the reach of comprehensive health services is expected to increase, especially in tier II and tier III cities.

The introduction of Ayushman Bharat has increased the adoption of cardiovascular procedures. In India, about 37 in 100,000 beneficiary households have incurred claims exceeding INR 1 lakh, and 0.4 in 100,000 beneficiary households have reached the 5 lakh limit under the Ayushman Bharat schemes. However, the average claim is less than INR 30,000, accounting for 92.3% of the claims in 2019-2020.

The Transformation of Care Delivery in India

The growth of the economy has strengthened the growing middle class population in the tier II and tier III cities, which are contributing heavily through increasing household income and growing demand. In the past few years tier II cities like Surat, Patna, Jaipur, Indore etc., have recorded an economic growth rate of over 40%, making them attractive destinations for long-term investments. One of the biggest advantages offered by such cities is economic affordability as they are cost effective in every aspect compared to tier I cities. Larger spaces are available at lower cost, which enable healthcare firms to kick-start their operations on a bigger scale. Tier II and tier III cities also provide a vast pool of untapped talent which, after proper training and skill enhancement, can help firms to scale at a much lower investment in comparison to metro cities.

Global Medical Device Market Size and Growth

The market is divided based on the application sector such as cardiovascular devices, orthopedic devices, oncology devices, patient monitoring devices, ophthalmic devices, cosmetic devices, mobility aids, wound management products, respiratory devices, and infection prevention products, etc. The products under each application comprise therapeutic devices, which also include implantable devices, monitoring devices, capital equipment and consumables.

Implantable devices are the most sophisticated products and key devices that support building body functions and these range from implants like knee joints, spinal implants etc. to cardiac devices like stents, pacemakers etc. to neuro-stimulation devices etc.

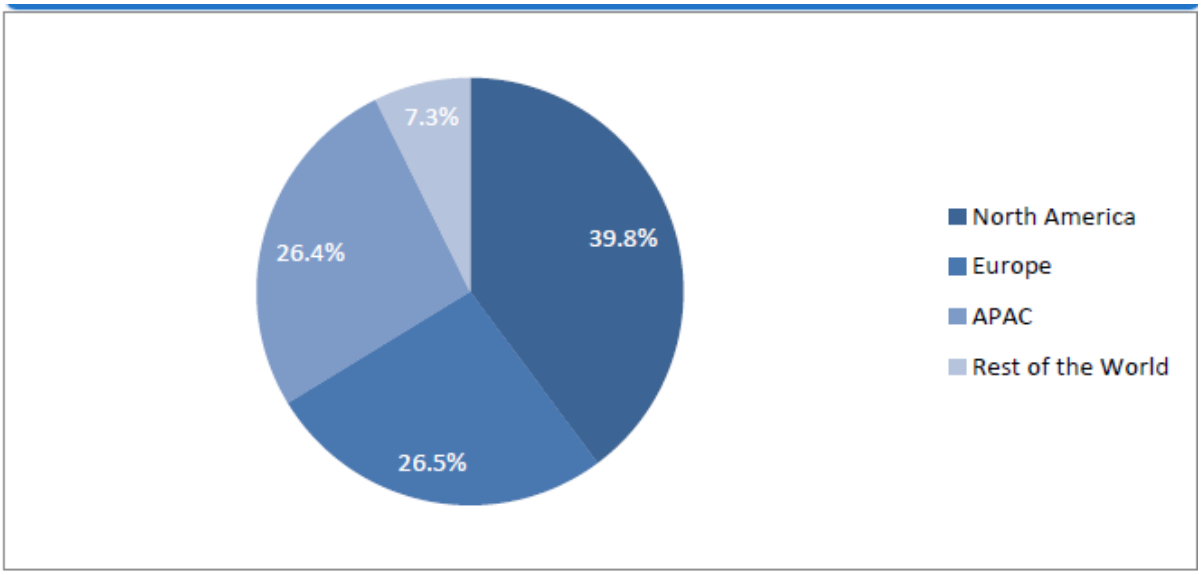
The medical devices market in 2020 witnessed a negative impact from the COVID-19 pandemic, with the market registering negative growth of around -4.7%. Negative growth in 2020 was primarily attributed to the halt in elective surgeries, which is one of the key growth drivers in the sale of medical devices. However, with better COVID-19 management and higher penetration of vaccination programs, we anticipate the resumption of steady growth of elective surgeries.

Medical Devices Market Revenue Forecasts (US$ Billion), Global, 2017-2025f

Source: Frost & Sullivan Analysis

North America forms the largest share of medical devices market globally. This large market share can be attributed to the factors like an established healthcare system, well penetrated private insurance system and enhanced diagnosis of diseases, thus increasing the volume of procedures and consumption of devices in the country. Growth in the medical devices sector will get further catalyzed by emerging markets in the APAC region and technological advancements in European countries.

Medical Devices Market Revenue Split in Percent by Region, Global, 2021

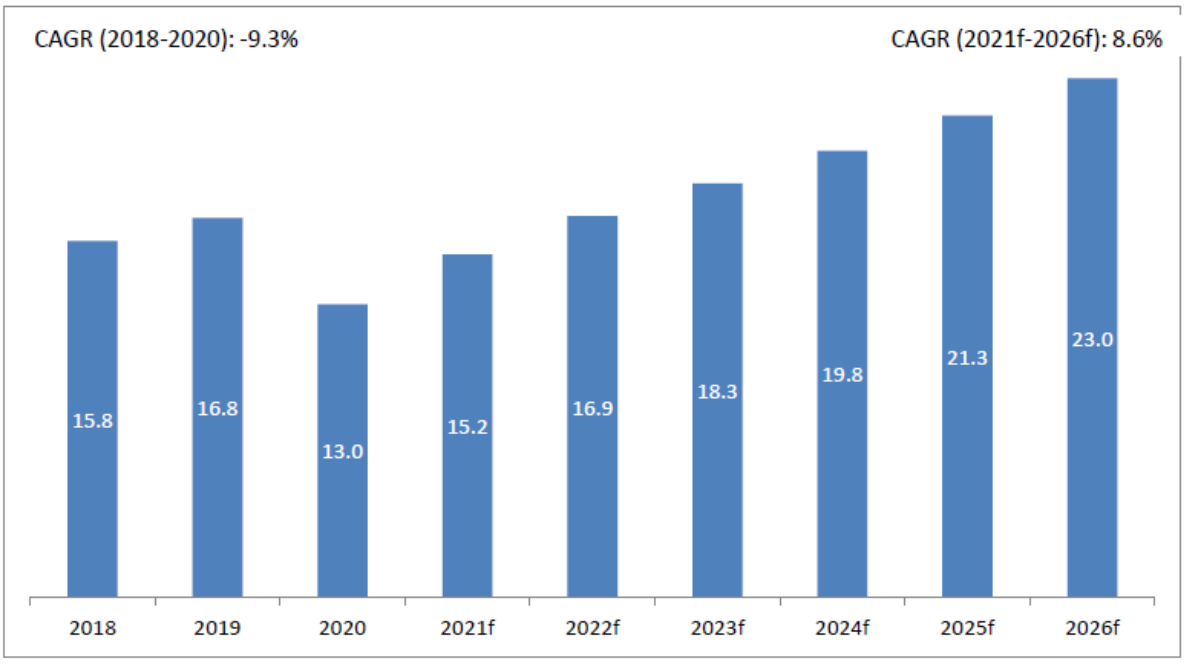


Source: Frost & Sullivan Analysis

Vascular Devices Market

Global prevalence of cardiovascular diseases almost doubled from 271 million in 1990 to 523 million in 2019. Growing disease prevalence combined with heightened awareness, diagnosis and treatment, has triggered the growth of the global vascular device market, which is expected to reach USD 23.0 billion by 2026.

Vascular Devices Market Revenue Forecasts (US$ Billion), Global, 2018-2026f



Source: Frost & Sullivan Analysis

The global vascular devices market includes all products used for cardiovascular and peripheral vascular procedures, ranging from implants and accessories used for treating arrhythmias, aortic diseases and all other vascular disease conditions.

The COVID-19 pandemic initially halted elective surgeries for few quarters across the world, in 2020. This resulted in decline in volume of procedures conducted annually. But post the initial decline, volume of procedures

increased in the last quarter of 2020 and is expected to grow steadily. This will catalyze the growth of the total vascular devices market at a CAGR of 8.6% between 2021 and 2026.

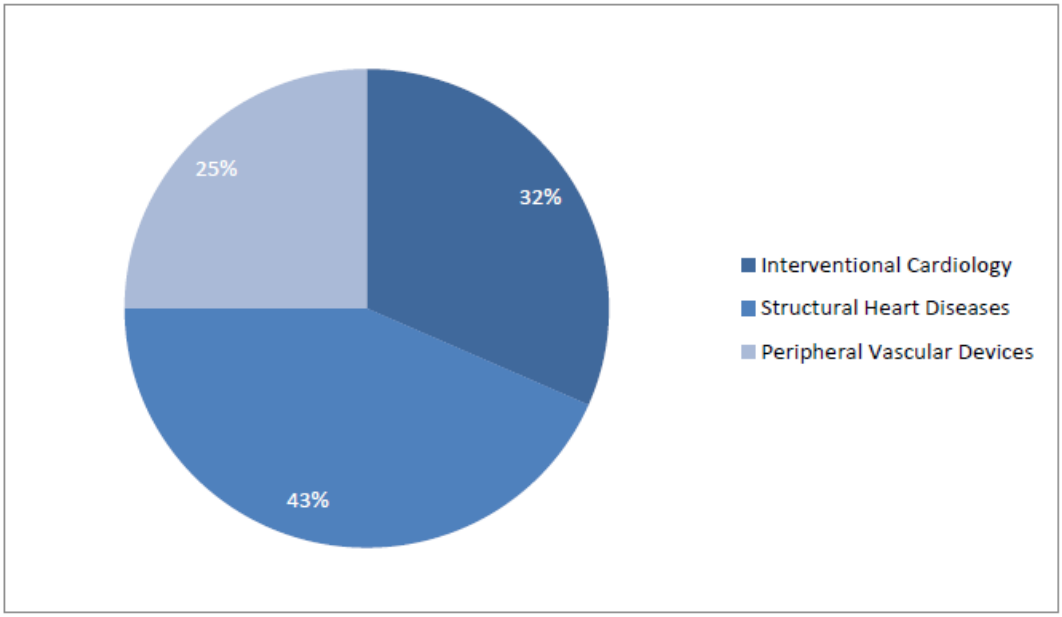
The global vascular devices market can be further segmented into Interventional Cardiology, Structural Heart and Peripheral Vascular on the basis of therapy areas.

- Interventional cardiology is a branch of cardiology that deals with the diagnosis and treatment of blocked or narrowed arteries supplying blood to heart using minimally invasive, catheter-based procedures and specialized imaging techniques. Interventional cardiovascular procedures are performed largely by interventional cardiologists who have expertise in using devices such as catheters, stents, balloons, guiding tools etc.

- Structural heart diseases refer to abnormalities in the tissues, walls and valves of the heart.

- Peripheral vascular disease is primarily a circulatory condition in which narrowed blood vessels reduce blood flow to the limbs and all arteries outside coronary artery.

Vascular Devices Market Revenue Split in Percent by Product Segment, Global, 2021

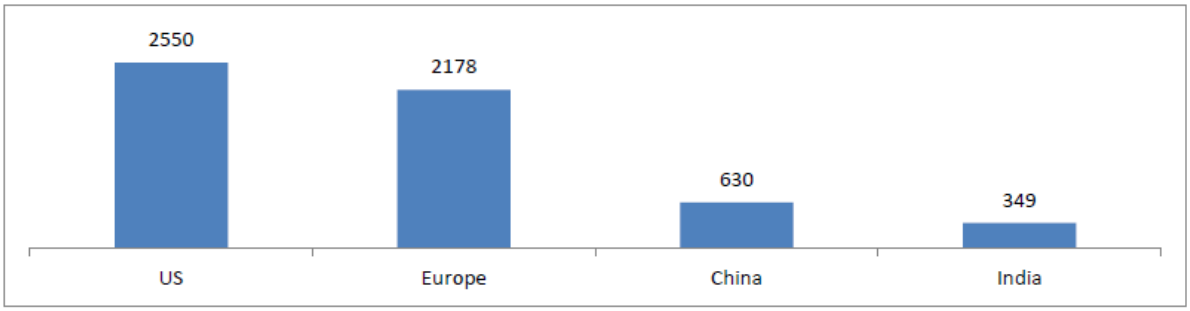


Source: Frost & Sullivan Analysis

Emergence of the Minimally Invasive Procedures

The interventional cardiology market underwent the biggest transformation in the last decade with a substantial rise in number of Percutaneous Coronary Intervention (PCI) procedures. In 2018, the number of PCI procedures was evaluated to be ranging around 2,000-3,000 procedures per million in developed countries, while in China and India it ranged around 300-600 procedures, highlighting a significantly lower utilization and under penetration in emerging geographies. Lower PCI utilization is further evident in countries like India and China where the number of catheterization laboratories ("**cath labs**") is low compared to the rising incidence of vascular diseases.

PCI Procedure Volume in Countries (procedures per million), 2018



Source: Frost & Sullivan Analysis

Globally the shift from Coronary Artery Bypass Graft Surgery ("**CABG**") to Percutaneous Coronary Intervention ("**PCI**") (a non-surgical procedure that uses a catheter) in the last decade was driven by growth in emerging markets, which had low penetration. The three main drivers for the adoption were: 1) reduction in average duration for hospitalization; 2) better suitability of non-invasive procedures for old age patients who are at high risk and generally have co-morbidities; and 3) reduction in the price of stents, in the cost of procedures, all of which increased coverage of these procedures from governments in countries like Thailand, China and India etc.

Less than 15 years ago, the transcatheter aortic valve replacement ("**TAVR**") was launched as a last resort procedure for patients with prohibitively high perioperative risk for surgical valve replacement, and the procedure has evolved to currently being the only/most–sought-after viable alternative to conventional open surgery in most patients with native (non-bicuspid) aortic valve stenosis.

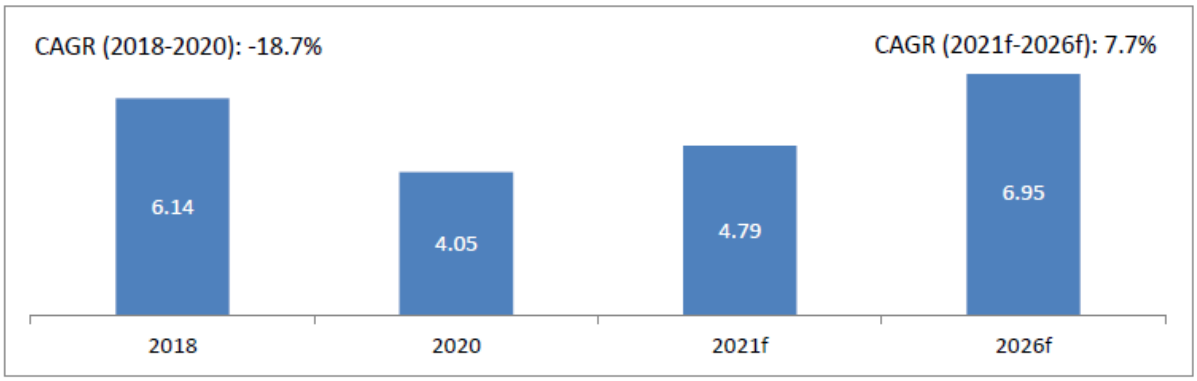
Growth Trends in Institutions for Interventional Procedures

With the government's focus on policy framework and ecosystem support along with increased demand of healthcare services, the Indian vascular device industry is expected to grow at a faster pace than the global industry, at a CAGR of 15.4% between 2021 and 2026 in comparison to the global vascular devices market CAGR of 8.6%.

Global Interventional Cardiology Devices Market

The global interventional cardiology devices market is driven by growth in volume of procedures. The growth in the last decade was driven by US and European countries, which has reached a mature phase in the growth cycle currently. The emerging economies like India and China are completely untapped. There are only 670 PCI procedures conducted per million in China and 270 per million population in India while there were around 2,300 procedures per million conducted in US in 2020 (decline due to COVID-19).

Interventional Cardiology Devices Revenue Forecast (US$ Billion), Global, 2018-2026f



Source: Frost & Sullivan Analysis

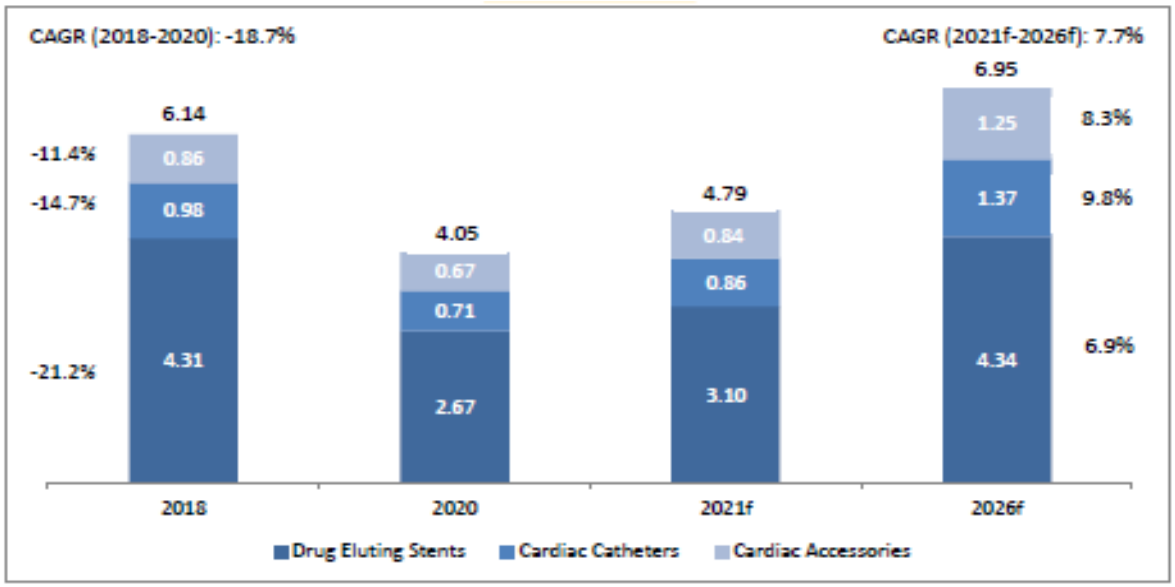
Interventional cardiology can be broadly sub-divided into stents, cardiac catheters and cardiac accessories on the basis of device type. These devices are utilized to treat different types of issues pertaining to coronary arteries.

Stents are tiny tubes placed by specialists in an artery or duct to facilitate the flow of bodily fluids in the targeted body area. Cardiac stents are specifically designed for coronary arteries where stents are inserted during coronary angioplasty supporting artery walls. On a broad level, stents can be classified into three type i.e. bare metal stents (stents without a coating or covering), bioabsorbable stents (stents made of polylactic acid — a naturally dissolvable material) and drug eluting stents (stents coated with medication that is eluted to prevent the growth of scar tissue in artery linings).

The global drug eluting stent market is expected to reach USD 4.34 billion in 2026 from USD 3.10 billion in 2021 at a CAGR of 6.9% during the forecasted period of 2021-2026. Growth in this market segment is driven by factors such as the increasing prevalence of cardiovascular diseases, the increasing demand for minimally invasive cardiovascular procedures and technological developments in drug eluting stent technology.

The industry underwent a transformation in the last decade moving away from CABG to PCI procedures and also from bare metal stents to drug eluting stents. Currently >90% of the stenting procedures around the world use drug eluting stents.

Interventional Cardiology Devices Market Revenue Forecasts by Segment (US$ Billion), Global, 2018-2026f

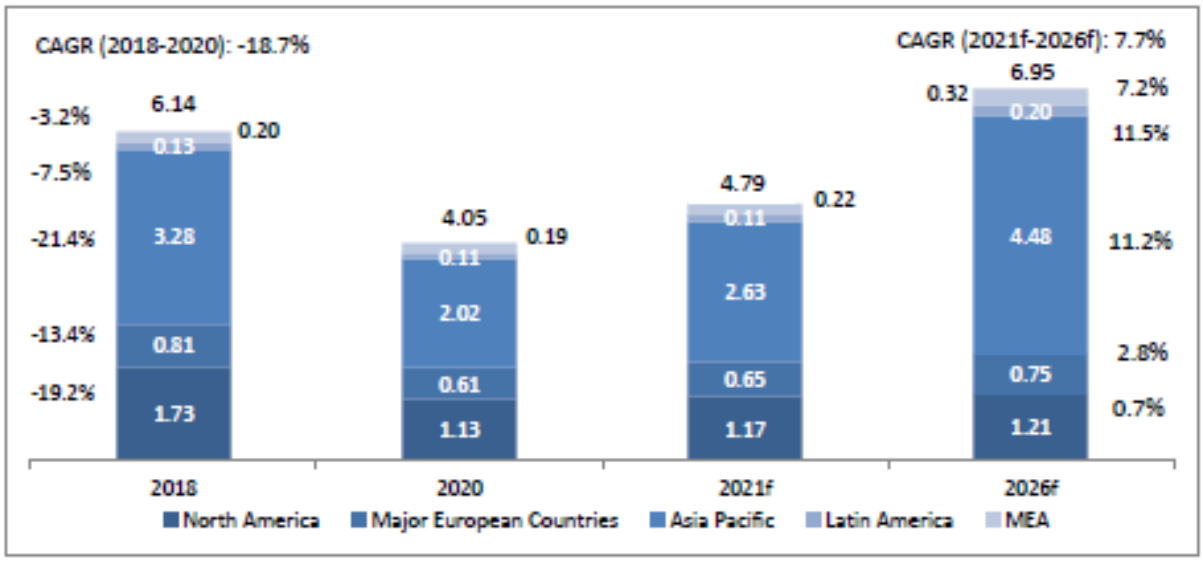


Source: Frost & Sullivan Analysis

Cardiac catheters are utilized for catheterization procedures which involve the insertion of a catheter into heart's chambers or vessels for treating or diagnosing certain cardiovascular conditions. Catheters are of various types depending on the type of functions performed. Within the branch of interventional cardiology, cardiac balloon catheters are primarily used for balloon angioplasty. This procedure is mainly targeted at opening narrow arteries.

Cardiac accessories include a range of other devices (such as inflation devices, guiding catheters, diagnostic catheters Y-connectors, balloons, sheaths etc.) which are used in conjunction with other cardiovascular devices for diagnosis, monitoring or treatment procedures.

Interventional Cardiology Device Revenue Forecasts by Geography (US$ Billion), Global, 2018-2026f



Source: Frost & Sullivan Analysis
Note: Major European countries include Germany, France, the UK, Spain and Italy

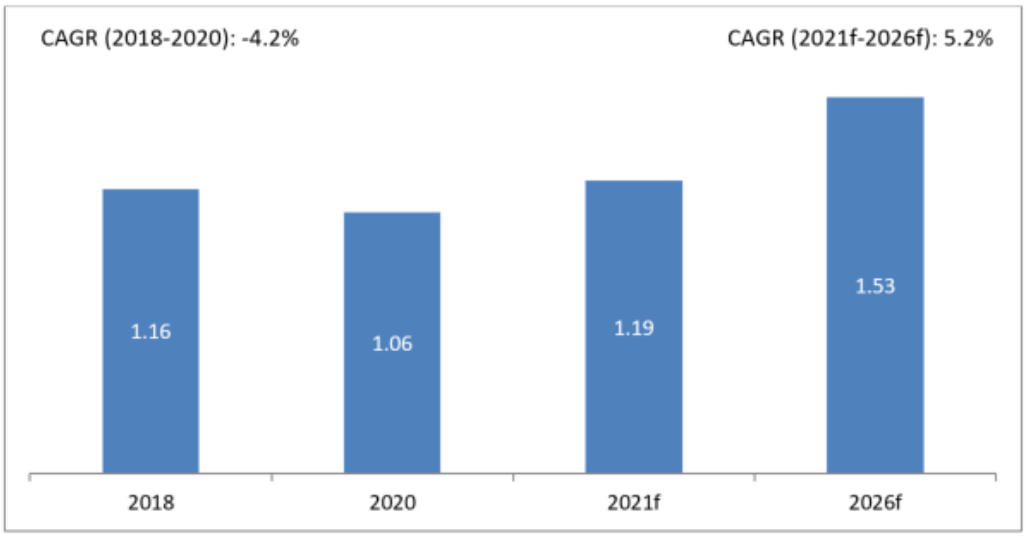
The interventional cardiology devices industry is expected to grow at a CAGR of 7.7% from 2021 to 2026 led by the growth of emerging economies, due to an increase in reimbursement coverage, the availability of affordable and quality products, and an increase in healthcare facilities and demand for healthcare services from the middle income group.

Drug Eluting Stents Utilization in Different Geographies

- USA accounted for the largest share of the angioplasty device market owing to the high prevalence of cases around CAD (approximately 2.2 million people have issues pertaining to CAD) which primarily utilizes stents/catheters for treatment.

- The drug eluting stents market is well penetrated; hence we expect only a minimal increase in volume of procedures conducted. Thus the US market growth rate is low in comparison to the global growth rate.

Total Drug Eluting Stents Volume Sales Estimates (In million), USA, 2018-2026f

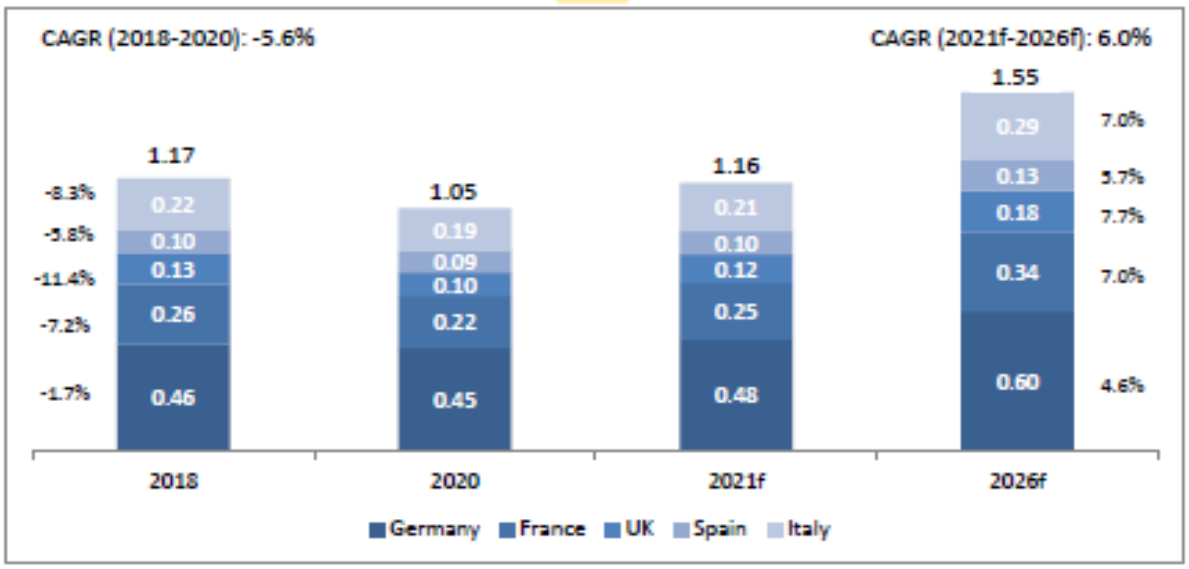


Source: Frost & Sullivan Analysis

- The major five western European countries account for 70-75% of the total European procedure volume. But the pricing of DES in these countries declined significantly, with variations across countries. This has impacted the total revenues and contribution of Europe in both the global DES and interventional cardiology market. The western European markets are a reimbursed ecosystem for DES and the price ranges from around USD 110+ in Germany to ~ USD 1000+ in Spain, thus impacting the total market dynamics in the region.

- The pricing of products in other European countries is relatively high, but due to high penetration of the procedure and drug eluting stents already achieved, the projected revenue growth in the region is fairly modest at a CAGR of 2.8% between 2021 to 2026.

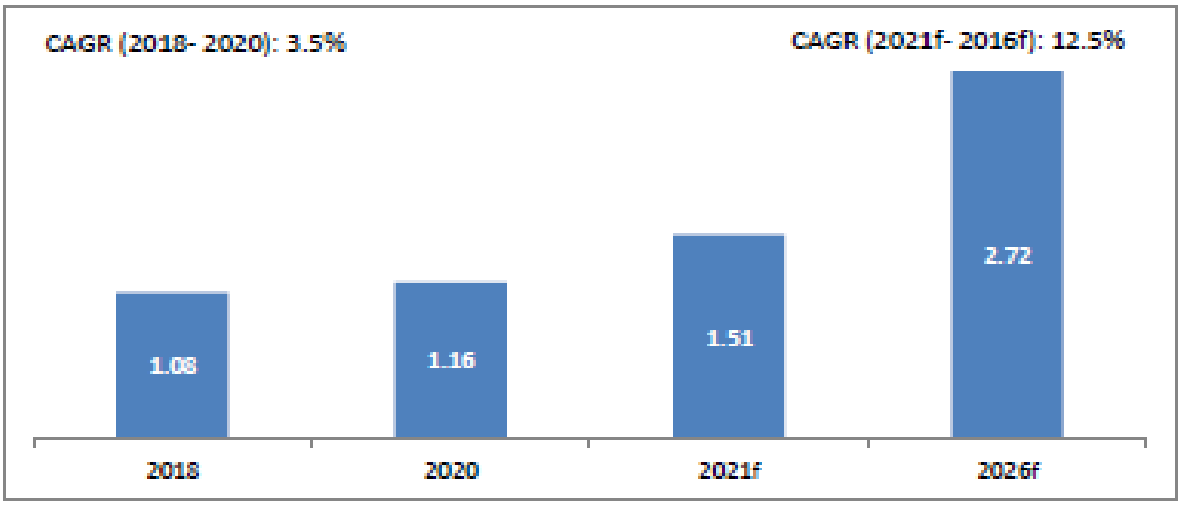
Drug Eluting Stents Volume Sales Estimates (In Million), European Countries, 2018- 2026f



Source: Frost & Sullivan Analysis

- The Asia Pacific region, driven by countries like China and India, is expected to witness strong growth in the angioplasty devices segment. The new centralized procurement approach for medical institutions initiated in China has changed the dynamics of the market further. In 2020, coronary stents were introduced under the centralized procurement scheme and involved the participation of around 5 global companies and >5 domestic companies. This demonstrated how potential volumes can support price reduction of between 40-50% from originally listed prices. As price reduction ensured volume sales, the companies also benefited from the process. The price reduction is likely to increase a higher adoption of PCI procedures and studies reveal that by 2026 China is estimated to have 1,500 procedures conducted per million population.

Total Drug Eluting Stents Volume Sales Estimates (in million), China, 2018-2026f



Source: Frost & Sullivan Analysis

- **Growing prevalence of cardiovascular diseases**: According to World Health Organization ("**WHO**"), cardiovascular diseases are the biggest causes of death, killing approximately 17.9 million people every year.

- **Focus on early diagnosis**: Advancement in diagnosis-related technologies (like nuclear imaging, radiographic tests, cardiac catheterization etc.), growing awareness among patients and a push for early diagnosis from the WHO and government bodies have led to the more timely treatment of various cardiovascular diseases globally.

- **Availability of treatment due to the growing number of cardiac specialists/per million population in low and middle income countries**: Currently, low-income countries possess around 0.04 adult cardiac surgeons and 0.03 pediatric cardiac surgeons per million population, compared to 7.15 adult cardiac surgeons and 1.67 pediatric cardiac surgeons in high-income countries like USA and Western Europe. This huge demand/supply gap has raised awareness for the need for training and educational programs for cardiac surgeons in low and middle income countries, which in turn are expected to drive the number of cardiac procedures and the sale of required medical devices accordingly.

- **Growing lifestyle diseases:** Factors like hypertension, smoking, irregular diet patterns, growing diabetes prevalence, physical inactivity, obesity etc. are a few of the biggest contributing factors to coronary heart diseases in the early stages of life.

- **Changing demographics**: A WHO report suggests the global population of people above 80 years of age is projected to triple between 2017 and 2050, increasing from 137 million to 425 million.

- **Growing disposable income and rising healthcare coverage**: Emerging markets, especially India and China, have witnessed a rise in disposable income for middle income families.

- **Advancement in interventional cardiology devices**: Interventional cardiology procedures have seen great advancements, fueled by enhanced technology providing more effective treatment options at a more affordable cost.

- **Presence of domestic participants**: The growing number of domestic participants, especially in countries like India and China, who provide cost-effective options to end-users are expected to boost regional growth.

- **Increased support from government authorities**: Governments in different countries have taken initiatives to improve the medical sector by increasing their public expenditure, which in turn has opened various growth opportunities to the medical devices and accessories market globally.

Reimbursement Trends for Interventional Cardiology Devices Market

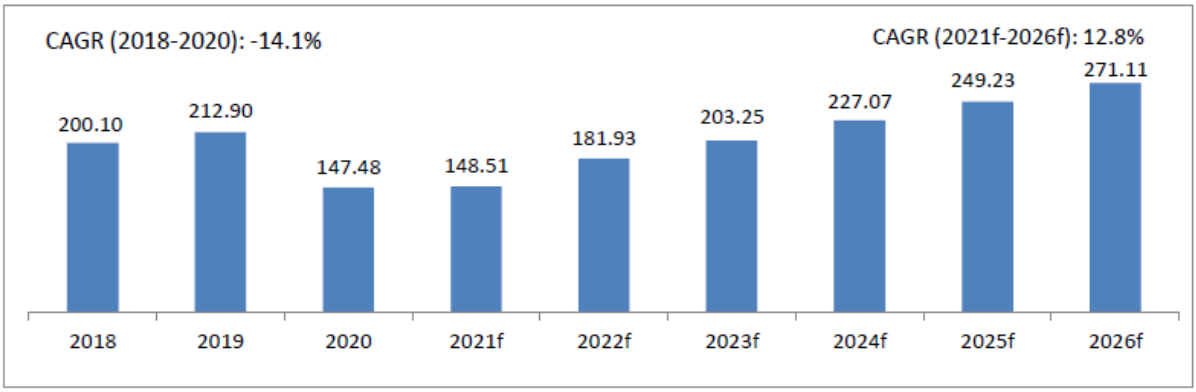
USA	Europe	APAC

• Interventional cardiology treatments are mostly covered by public and private health insurance.
 	
• Recent proposition from Center of Medicare and Medicaid Services (CMS) is expected to have negative impact on reimbursement of interventional cardiology services. CMS is increasing payments for Evaluation and Management (E&M) services and cutting reimbursement on most of the other services by 10.2% to maintain entire budget neutrality.
 	
• Reimbursement for the most common interventional cardiology procedures are dropping 9% through Medicare, which is one of the largest publically funded healthcare insurance programs in the country.
 	
• CMS has implemented a changed reimbursement strategy, providing support for additional cardiovascular procedures for ambulatory surgery centers (ASC). This development has helped in making collaboration and physician imperatives to maintain the market share and achieve the specific cardiovascular service line strategic goals set by the authority.
 	
• Despite having better healthcare coverage, still over 45% of adult patients suffering from atherosclerotic cardiovascular disease (ASCVD) face financial hardship related to their medical bills, including many such patients who cannot pay their medical bills at all.
	• Majority of European countries have healthcare insurance policies covering interventional cardiology treatments. Key highlights covering varied aspects of reimbursements are mentioned in below bullet points :
	
	  • Drug eluting stents are reimbursed in Western European economies under the public system.
	
	  • For most of Central and South-eastern European countries: 90% of catheter or surgical interventions were funded by government reimbursement schemes. However, most of the countries have financial caps at a hospital level, leading to long patient waiting lists and restrictions in the number of procedures that can be performed in connection with interventional cardiology procedures.
		• Most of the large economies in Asia have reimbursement policies in place for covering interventional cardiology procedures.
		
		• South Korea: South Korean reimbursement program is primarily public funded, where patients suffering from cardiovascular issues pay around 20% of the total cost of the procedure. Current insurance system in the country is believed to be more beneficial in terms of reimbursement for cardiac procedures involving drug coated balloons and stents.
		
		• Japan: Japan has witnessed modest growth in interventional cardiology procedures, which has been favorably supported by the reimbursement policies. In order to encourage the adoption of latest technologies, the country is focusing on bringing more cardiac-related services under reimbursement coverage. However, recently the Ministry of Health, Labour and Welfare announced reimbursement cuts, particularly in the balloon catheter angioplasty and coronary stent segments. This, together with the impact of the COVID-19 pandemic, is expected to negatively impact the overall market growth.
		
		• India: India had limited coverage of cardiovascular diseases. Critical illnesses are covered under government funded schemes, such as Aarogyasri and state-funded healthcare programs. Private healthcare plans also cover certain cardiovascular procedures but at a higher premium rate compared to publicly funded healthcare programs.

		• China: The level of healthcare coverage for interventional cardiology procedures in China varies from province to province. However, the New Rural Cooperative Medical System is expected to increase the reimbursement for cardiology-related hospitalizations providing major relief to the patients. The listing of drug eluting stents in the national reimbursement scheme and the increased pressure on pricing has changed the dynamics of the market here.

In India the interventional cardiology device market was estimated at USD 148.51 million in the year 2021 and is expected to reach USD 271.11 million in 2026 at a CAGR of 12.8%.

Interventional Cardiology Devices Market Revenue Forecasts (US$ Million), India, 2018-2026f

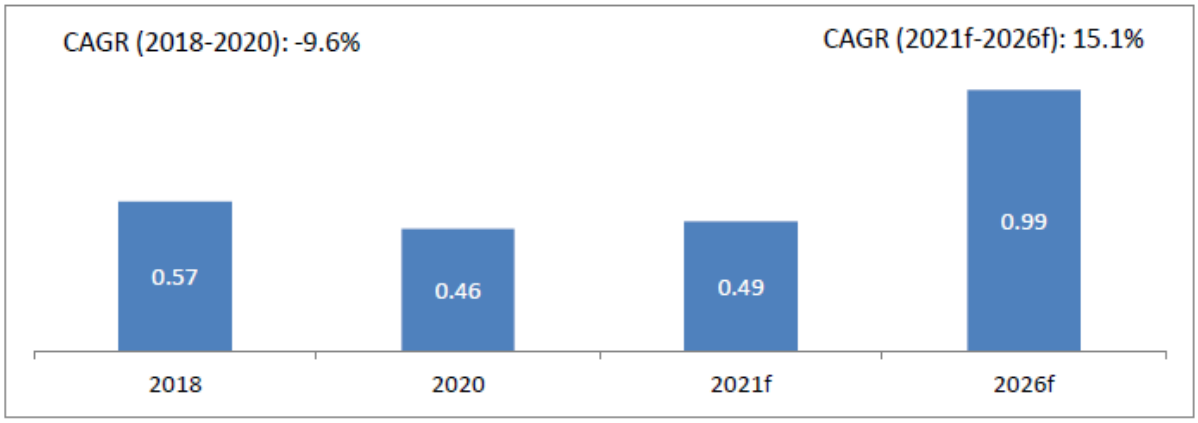


Source: Frost & Sullivan Analysis

India is one of the top three markets for interventional cardiology in the world in terms of revenue growth potential globally during the forecast period. In terms of volume, the total number of coronary angioplasty procedures performed in India increased from 216,817 in 2013 to 471,782 in 2018 at a CAGR of 17%.

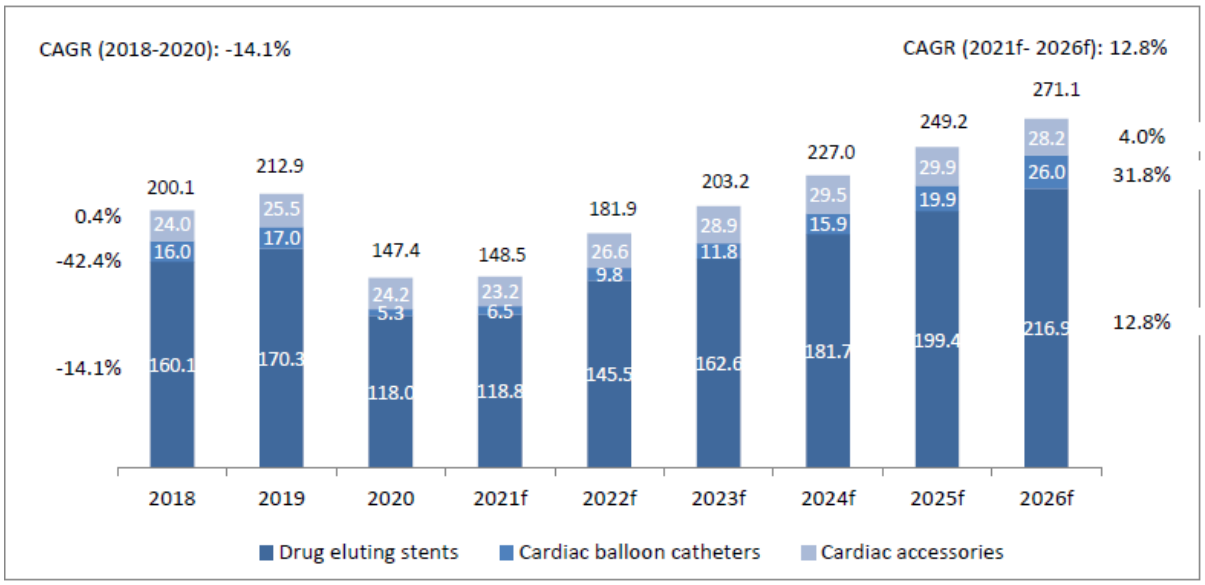
Growth in PCI procedural volume is also reflected in the growth of drug eluting stent utilization figures, which are expected to grow at CAGR of 15.1% in the forecasted period of 2021-2026 reaching 0.989 million in 2026.

Total Drug Eluting Stents Volume Sales Estimates (in million), India, 2018-2026f



Source: Frost & Sullivan Analysis

Interventional Cardiology Devices Market Revenue Forecasts by Segments (In US$ Million), India, 2018-2026f



Source: Frost & Sullivan Analysis

In 2017, the National Pharmaceutical Pricing Authority (NPPA) fixed prices of bare metal stents at INR 7,260 whereas drug-eluting stents (DES) and biodegradable stents were fixed at INR 29,600. This price-capping helped to reduce the price of stents by a range of 300-500%, along with increasing affordability of coronary heart procedures over last 2-3 years. With the launch of the Ayushman Bharat public health insurance scheme across India in 2018 and inclusion of coronary heart procedures under the scheme, the uptake of various interventional cardiology devices is expected to increase. It is believed that this trend will continue over the next 3-5 years with increasing public and private insurance penetration along with increasing awareness and affordability of various interventional coronary heart procedures.

The NPPA pricing is applicable for private insurance and self-sponsors mostly, while the other national and state schemes like CGHS, Ayushman Bharat, and Arogyasri etc. have a lower reimbursement rate for the stents under their respective schemes. These state and national schemes account for a significant share of volume sales of drug eluting stents in the country.

Reimbursement trends for Interventional cardiology procedure

The government of India and various state governments have launched multiple schemes / programs for offsetting the financial burden of the vulnerable population. The schemes at a central level like Ayushman Bharat Yojana

and state level schemes like Mahatma JyotiRao Phule Jan Arogya Yojana, Arogyasri benefit government employees and the socially & economically disadvantaged cohorts of society, by catering to their medical needs as these schemes provide a fixed rate and also help the individuals in paying for the procedures. Additionally, private health insurers play a key role in assisting citizens with reimbursement of medical expenses.

Due to a higher prevalence and incidence of cardiovascular diseases in India, the majority of public health schemes include interventional cardiology procedures such as angiography, angioplasty, artery embolization and catheter directed thrombolysis for Deep Vein Thrombosis (DVT). Following are the rates offered by Ayushman Bharat Yojana for the key interventional cardiology procedures:

Ayushman Bharat Pricing Trends, Key Interventional Cardiology Procedures, 2020

Sr. No	Procedure name	Rates (INR)
1	Balloon Catheter Angioplasty - double stent (medicated, inclusive of diagnostic angiogram)	90,000
2	Balloon Catheter Angioplasty - single stent (medicated, inclusive of diagnostic angiogram)	65,000
3	Rotablation+ Balloon Angioplasty	65,000
4	Rotablation+ Balloon Angioplasty + 1 stent (medicated)	1,00,000
5	Pulmonary artery stenting (double)	65,000
6	Pulmonary artery stenting (double)	40,000
7	Right ventricular outflow tract (RVOT) stenting	40,000
8	PDA stenting	40,000

Source: www.pmjay.gov.in

Structural Heart Market

Introduction

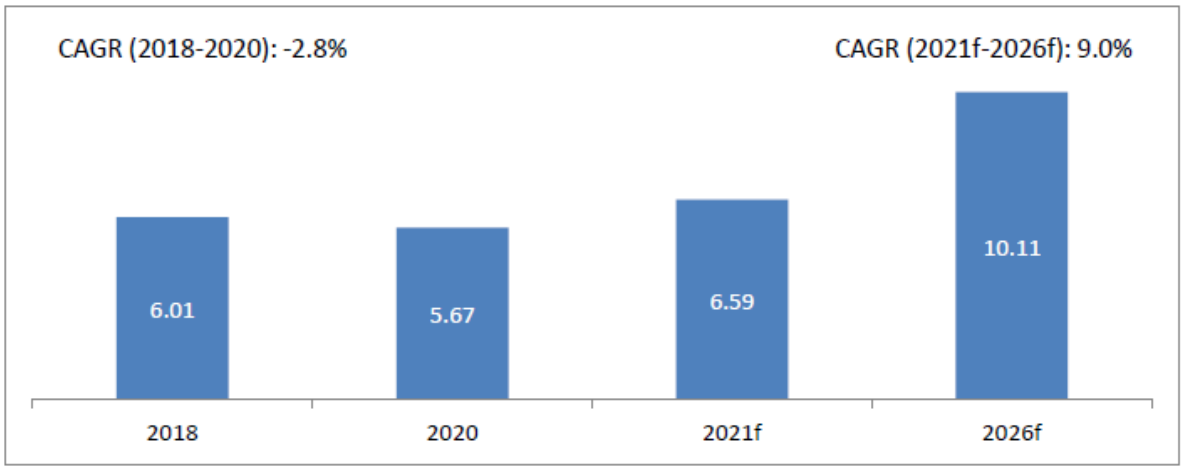
Structural heart diseases are a growing burden worldwide. Research suggests that an aging population can be a key driver to growth in such cases, in addition to birth defects. In fact in the USA alone approximately 1 in every 1,859 babies is born with an atrial septal defect. By 2050, it is expected that around 1.5 billion people (age 65+) in the world will have some kind of heart diseases with 50% having undiagnosed valvular disease. Such growth highlights the need for timely diagnosis and effective treatment of patients suffering from different types of structural heart diseases.

Aortic stenosis is a huge burden to the economy. The risk of aortic stenosis increases significantly with age; for example, around 3.4% of the population aged above 75 years in Europe and USA. In India the prevalence of moderate or severe aortic stenosis in patients more than 75 years old is 3.0%.

Global Structural Heart Devices Market

The global structural heart devices market size was valued at USD 5.67 billion in 2020, and is expected to reach USD 10.11 billion by 2026, growing at a CAGR of 9.0% during 2021-2026.

Total Segment Revenue Forecasts of Structural Heart Devices (US$ Billion), Global, 2018



Source: Frost & Sullivan Analysis

The global structural heart devices market can be segmented into TAVI, TMVI, occlusion devices and left atrial appendage occlusion devices (LAA). These devices are mainly used in the treatment of aortic stenosis (TAVI and TMVI), septal defects (occlusion devices) and LAA defects.

The heart valve devices segment comprising TAVI and TMVI is expected to register the highest CAGR during the forecast period. The high growth of this segment can be attributed to the growing number of transcatheter aortic valve replacement procedures performed globally due to the higher efficacy and durability of these products.

Growing prevalence of aortic stenosis can be understood from the fact that in USA alone around 5% of the population at age 65+ has shown increasing prevalence of this disease, which further escalates with advance age. Latest year-on-year procedural data also shows the growing usage of TAVI in patients suffering from severe aortic stenosis. Globally TAVI sales are likely to increase from ~147,251 units in 2018 to around ~ 262,660 units in 2026.

With advancement in technology there has been an iterative improvement in the TAVI valve and delivery systems. Many researchers and cardiologists have shown varied advantages of TAVR procedure over a traditional surgical aortic valve replacement (SAVR).

- Avoidance of cross-clamping the aorta and going on external perfusion

- Avoidance of general anesthesia
- Reduction in OR time and staff in the OR
- Avoidance of a sternotomy i.e. chest incision
- Quick patient recovery

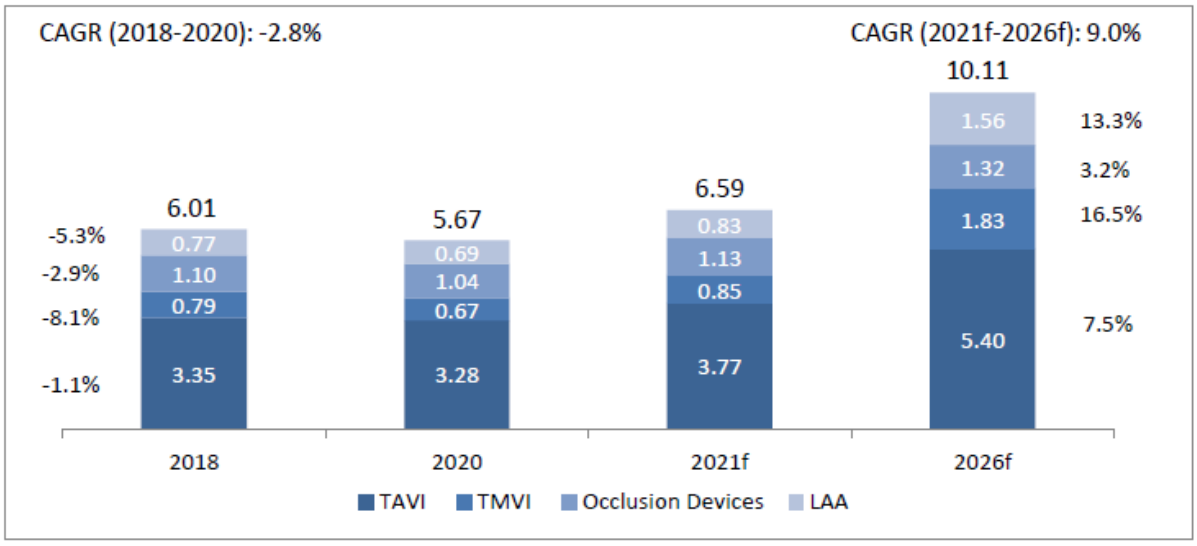
For instance, TAVI procedure outcomes from one of the clinics in USA shows that out of 720 TAVIs performed in the clinic (58% high risk and 40% fall into the intermediate risk); mortality was 0% with minimal stroke percentage of 0.3%. Thus technological improvements combined with high disease prevalence is expected to catalyze the revenue of TAVI market segment which is expected to reach USD 5.40 billion by 2026 growing at CAGR of 7.5% in forecasted period of 2021-2026.

TMVI is used in the treatment of a cardiac disease called mitral regurgitation. Mitral valve regurgitation is a condition in which the heart's mitral valve doesn't close tightly allowing blood to flow backward in the heart. The prevalence of mitral valve disease has increased globally with approximately 1 million cases in India alone. In the USA, acute and chronic mitral regurgitation affects approximately 5 in 10,000 people, becoming the second most common valvular lesion (after aortic stenosis).

Due to the complex nature of mitral valve disease and different patient anatomies, multiple treatment options are practiced by cardiologists, among which implantation of TMVI is often a last resort for complex mitral valve cases.

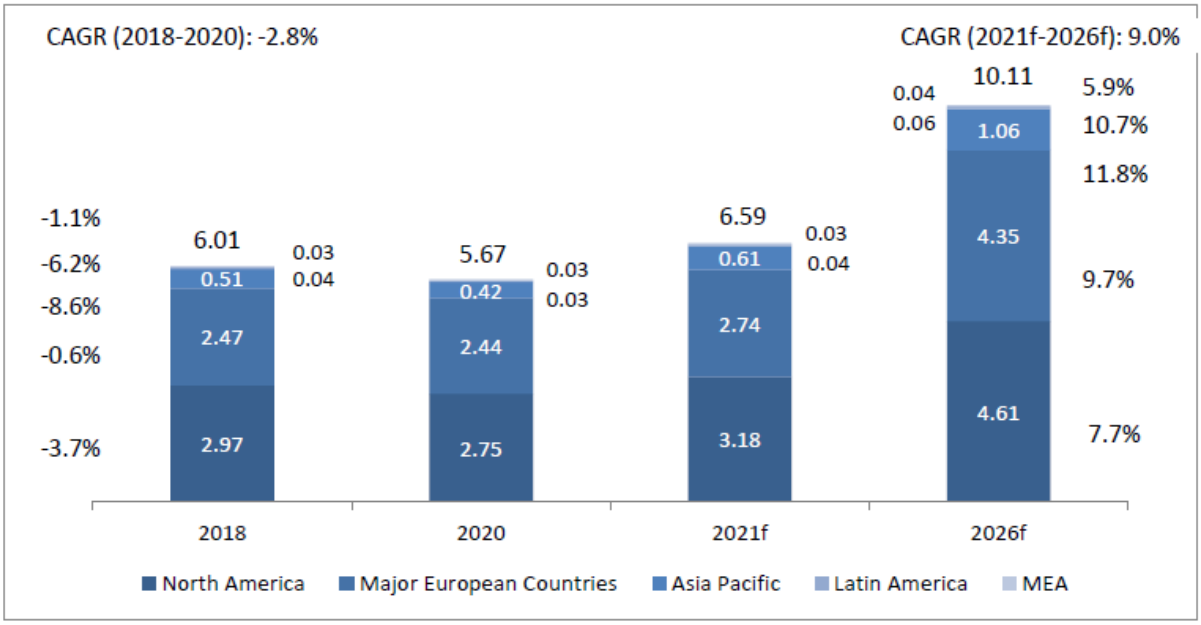
LAA devices are used in the treatment of defects pertaining to LAA, which is a small, ear-shaped sac in the muscle wall of the left atrium (i.e. top left chamber of the heart).

Structural Heart Devices Revenue Forecasts by Segments (US$ Billion), Global, 2018-2026f



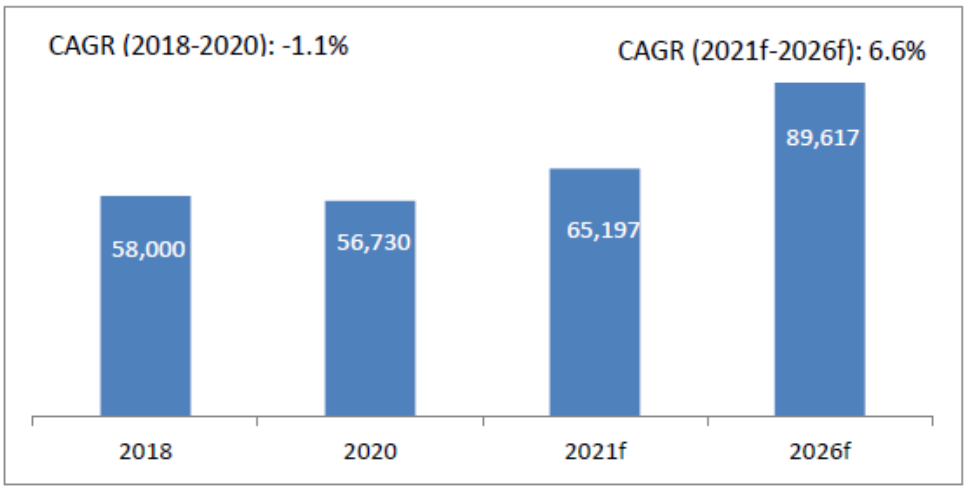
Source: Frost & Sullivan Analysis

Structural Heart Devices Market Revenue Forecasts by Geography (US$ Billion), Global, 2018-2026f



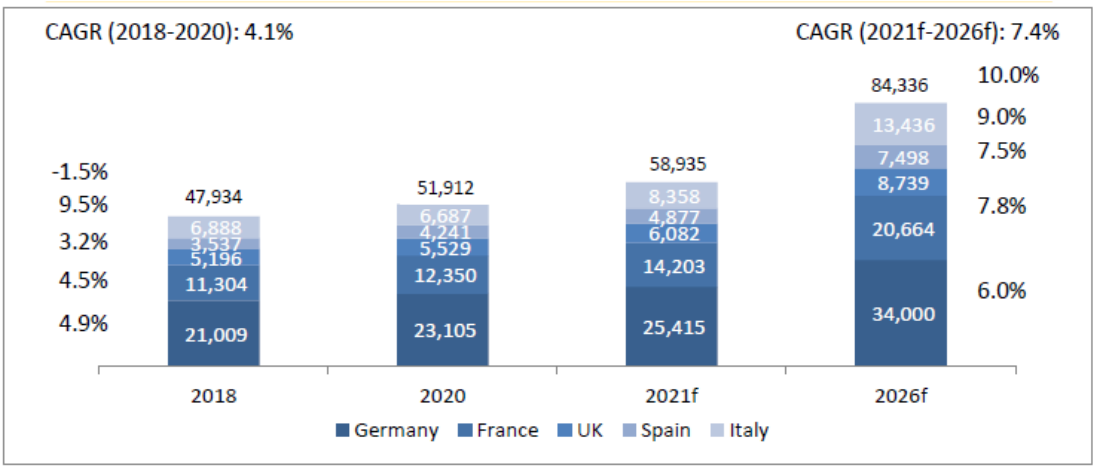
Source: Frost & Sullivan Analysis

TAVI Devices Volume Sales Estimates, USA, 2018-2026f



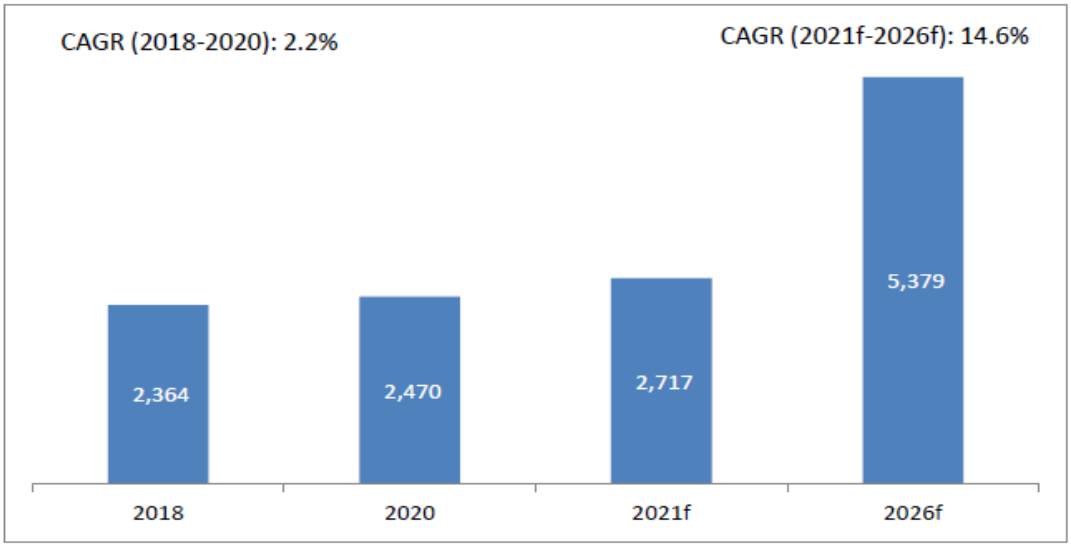
Source: Frost & Sullivan Analysis

TAVI Devices Volume Sales Estimates, Major European Countries, 2018-2026f



Source: Frost & Sullivan Analysis

TAVI Devices Volume Sales Estimates, China, 2018-2026f



Source: Frost & Sullivan Analysis

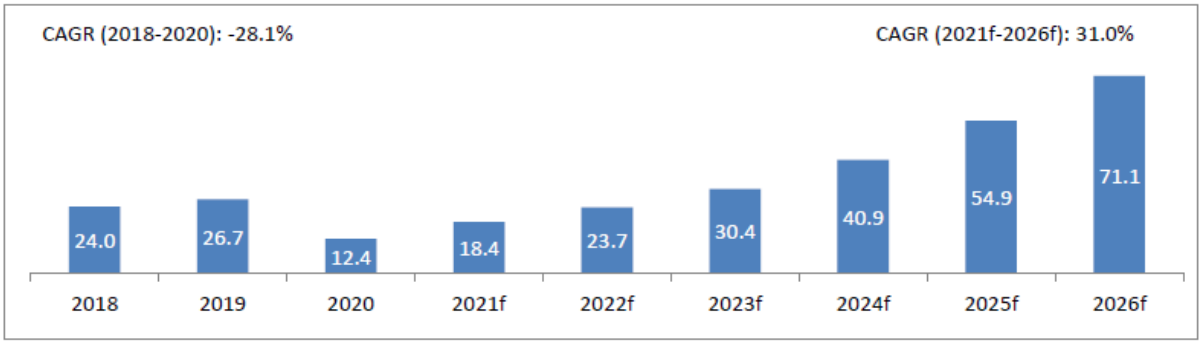
Reimbursement Trends for Structural Heart Devices

USA	Europe	APAC
• Structural heart procedures are reimbursed by Medicare. • The market is driven by both public and private reimbursement.	• Structural heart procedures are reimbursed by major state funded healthcare plans in different European countries. • Similar to practices in USA, countries like France, UK, Germany, Belgium etc. follow brand-specific reimbursement for medical devices which gets established for different companies.	• China: Reimbursement system in China varies from region to region. However, with the implementation of the New Rural Cooperative Medical System, almost all devices are covered by reimbursement for "in-hospital patients" in the country. Centralized procurement strategy of Chinese government reduces the original average prices making it cheaper for the patients to bear the cost of structural heart procedures. The TAVI procedures have not been covered for all applications across provinces, hence adoption is low. • Japan: Japan provides reimbursement of TAVI procedures.

India Structural Heart Devices Market

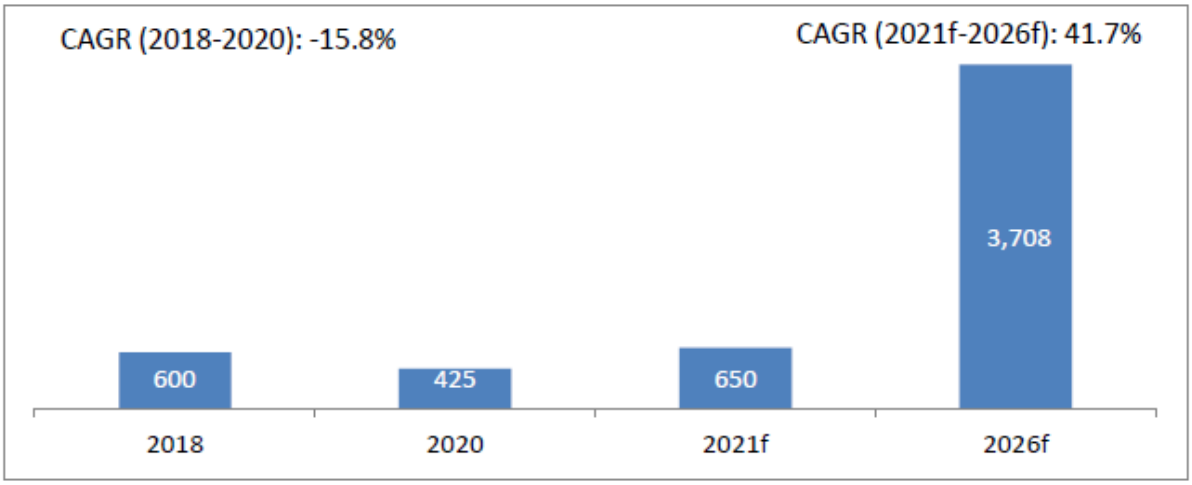
India's structural heart device market was estimated at USD 12.4 million in the year 2020 and is expected to grow at CAGR of 31.0% from 2021-2026 reaching USD 71.1 million in 2026.

Structural Heart Devices Market Revenue Forecasts (US$ Million), India, 2018-2026f



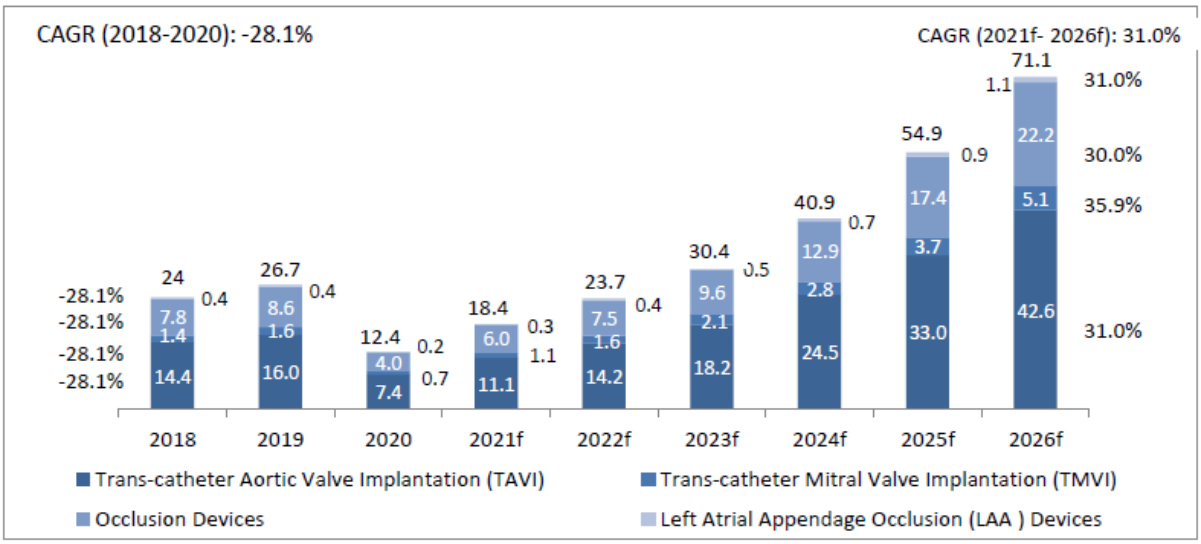
Source: Frost & Sullivan Analysis

TAVI Devices Volume Sales Estimates, India, 2018-2026f



Source: Frost & Sullivan Analysis

Structural Heart Devices Market Revenue Forecasts by Segments (US$ Million), India, 2018- 2026f



Source: Frost & Sullivan Analysis

There is low penetration in the market currently. This is attributed to limited access, lack of affordability, and lack of widespread reimbursement. As the numbers of specialists conducting the procedures is low, the demand for training to develop an additional pool of specialists is the key to driving access and growth. This has been a trend

prevalent in most of the niche and innovative surgical procedures in the country. Addressing the shortage of resources is the key to drive growth in the number of centers and, the volume of procedures and thus leverage reimbursement schemes. This has led to many market participants offering training services to increase the available pool of resources in the country.

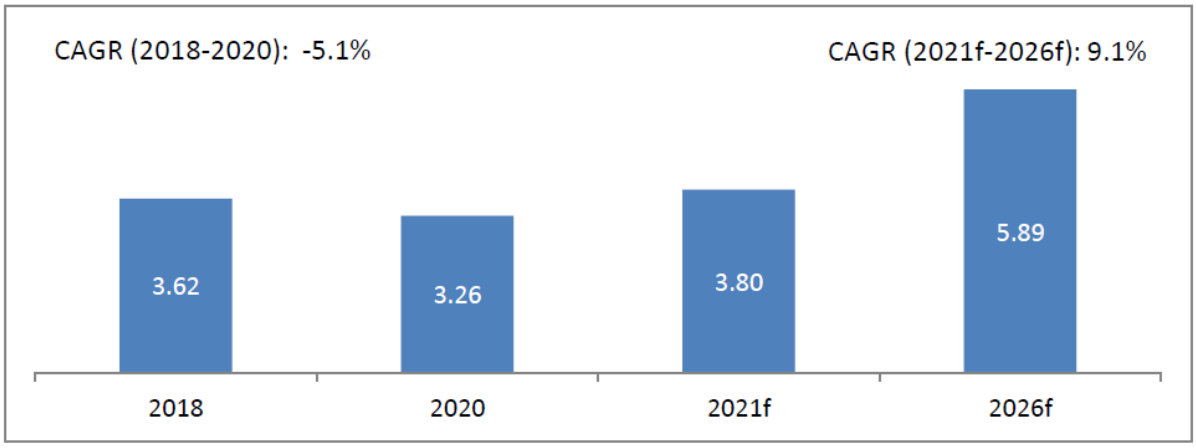
Reimbursement Trends for Structural Heart Procedures

Due to higher prevalence and incidence of cardiovascular diseases in India, the majority of public health schemes include the open heart structural procedures such as Mitral/ Aortic/ Tricuspid Valve Replacements for reimbursement, and not the minimally invasive alternatives. By 2025-2026, we estimate there would be more domestic products and trained clinicians to conduct these procedures, thus increasing the need for reimbursement to drive volume of procedures.

Global Peripheral Intervention Devices Market Trends

The global peripheral intervention market is projected to grow from USD 3.26 billion in 2020 to USD 5.89 billion in 2026 at a CAGR of 9.1%. Growth in this sector is driven by a growing geriatric population, rising prevalence of PAD, and technological advancements in the field of stents and balloons.

Revenue Forecasts of Peripheral Intervention Devices (US$ Billion), Global, 2018-2026f

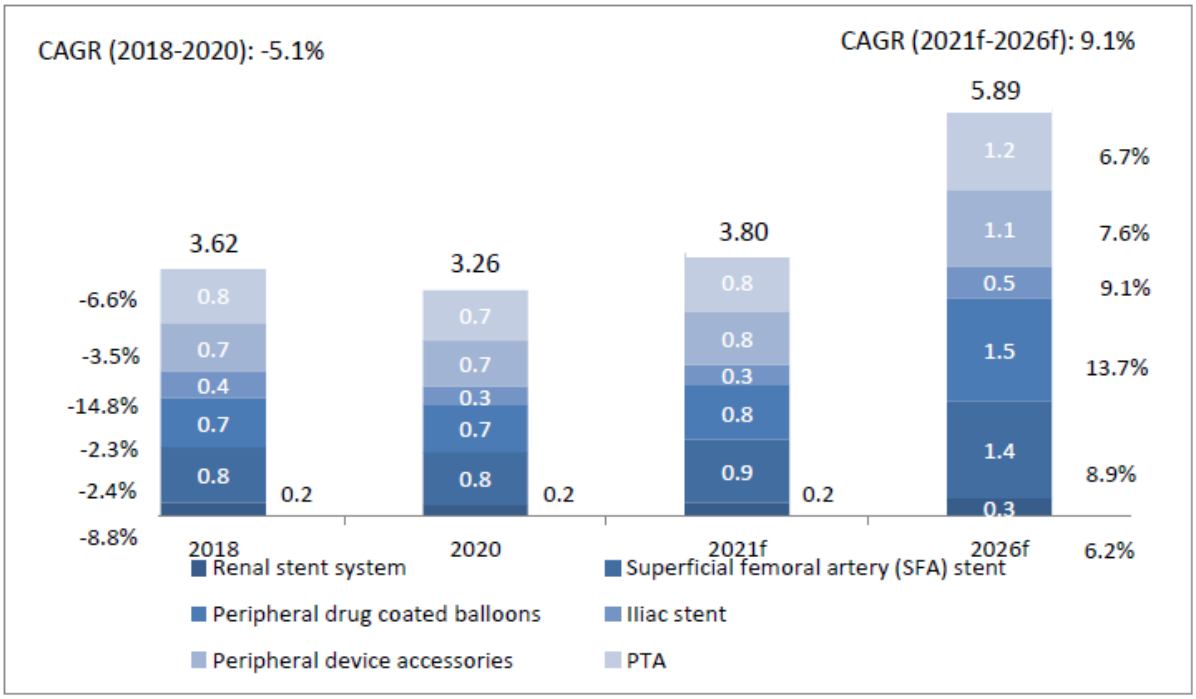


Source: Frost & Sullivan Analysis

Peripheral stent implants are often used to hold the artery open, allowing blood to flow through a blocked or clogged artery. Such stents are often implanted in conjunction with a balloon angioplasty procedure by passing them through the catheter and implanting in the peripheral artery.

The SFA stents are the most sought-after due to the higher prevalence of procedures together with the high cost of the stents, accounting for the highest revenue contribution in the peripheral devices market. The renal and iliac stents are smaller segments in both revenue and volume of procedures. The peripheral devices market is driving the drug coated balloons. These products undergo constant improvement and have been driving innovation and increased adoption in the sector.

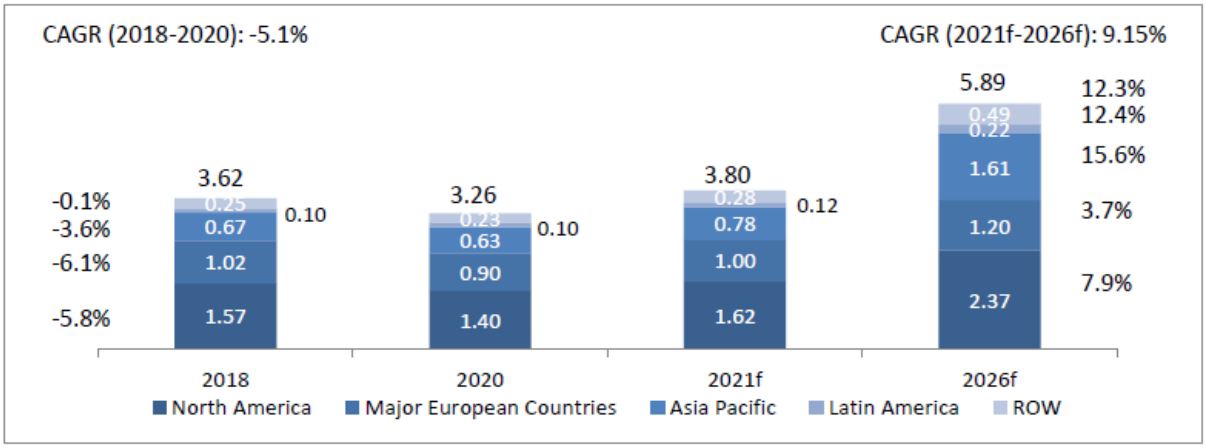
Peripheral Intervention Devices Market Revenue Forecasts by Segment (US$ Billion), Global, 2018-2016f



Source: Frost & Sullivan Analysis

The peripheral device accessories segment includes revenue from carotid artery stents, below-the-knee stents, inflation devices, guiding catheters, diagnostic catheters, Y-connectors, and sheaths which are used along with other peripheral interventional devices.

Peripheral Intervention Device Market Revenue Forecasts by Geography (US$ Billion), Global, 2018-2026f



Source: Frost & Sullivan Analysis

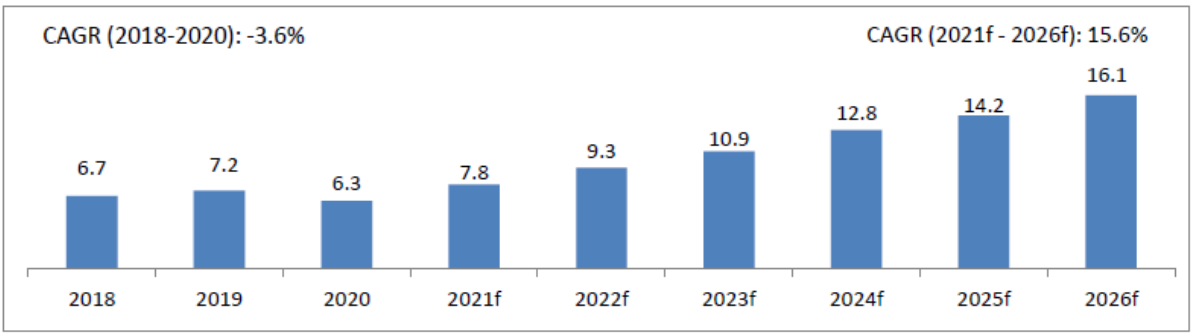
Reimbursement Price Trends for Peripheral Intervention Devices

USA	Europe	APAC
• Peripheral intervention procedures are reimbursed by Medicare. • Private insurance companies also provide cover based on patient policies.	• Peripheral intervention procedures are reimbursed by major state funded healthcare plans in different European countries.	• Most of APAC nations reimburse the amount spent on peripheral intervention procedures. • **India**: Ayushman Bharat government funded healthcare program reimburses procedures, as do a few state government schemes. • **China**: Reimbursement system in China varies from region to region. However, with the implementation of the New Rural Cooperative Medical System, almost all devices are covered by reimbursement for "in-hospital patients" in the country. Catheters, balloons, and stents are reimbursed. Advanced peripheral intervention devices are also being included in the reimbursement list so that patients undergoing treatment procedures in China can get certain amounts reimbursed. • **Japan**: Japan provides reimbursement for certain devices used in peripheral intervention procedures. However, the Japanese peripheral vascular device market faces reimbursement cuts from the Ministry of Health, Labour and Welfare (MHLW), which places price-related pressure on device manufacturers in the country.

India Peripheral Intervention Devices Market

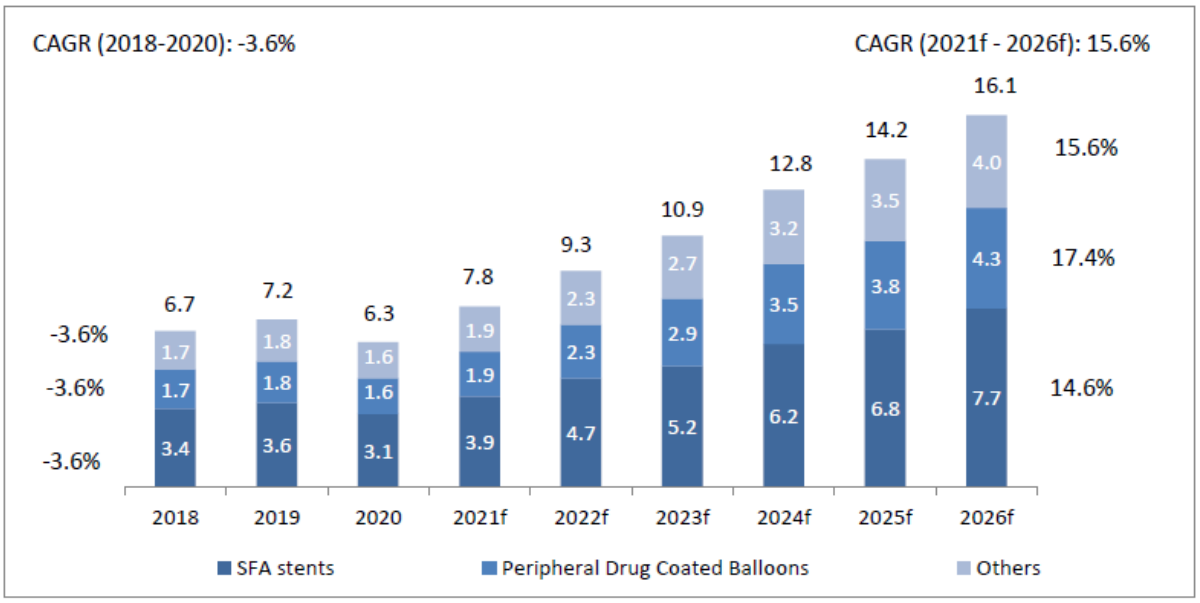
India's peripheral intervention devices market was estimated at USD 6.3 million in the year 2020 and is expected to grow at CAGR of 15.6% from 2021 to 2026, reaching USD 16.1 million in 2026.

Peripheral Intervention Devices Market Revenue Forecasts (US$ Million), India, 2018-2026f



Source: Frost & Sullivan Analysis

Peripheral Intervention Devices Market Revenue Forecasts by Segment (US$ Million), India, 2018-2026f



Source: Frost & Sullivan Analysis

Reimbursement trends for Peripheral Vascular procedures

Due to higher prevalence and incidence of peripheral vascular diseases in India, the majority of the public health schemes cover peripheral interventional procedures.

Key Market Participants in Vascular Devices, Global, 2021

Segments	Categories	Market Participants
Interventional Cardiology	Drug Eluting Stents	Abbott Vascular, Medtronic, Boston Scientific, Biotronik, Biosensors, SMT
Peripheral Intervention	Peripheral Intervention Products	
Structural Heart	TAVI	Abbott Vascular, Medtronic, Boston Scientific, Edwards Lifesciences, SMT
	Occlusion Devices	Abbott Vascular, Medtronic, MicroPort, Lepu Medical, SMT
	LAA	Boston Scientific, Abbott Vascular, Occlutech International AB

Source: Frost & Sullivan Research

Note: The above list is non-exhaustive.

Global Vascular Devices Competitive Analysis

Abbott Vascular, Boston Scientific and Medtronic are considered to be the three major participants, each having a presence across the three segments i.e. interventional cardiology, peripheral intervention and structural heart, along with a few additional players leading in each of the segments.

The vascular devices market is consolidated, highly competitive and driven by innovation. Major participants have established themselves in specific segments of the market and are investing heavily in R&D to produce advanced and efficient versions of DES, TAVI and other cardiovascular devices.

In addition to organic growth through R&D-driven product development, participants (especially the established companies) are also targeting growth through inorganic route using mergers, acquisitions and increasing collaboration with prominent or niche participants in the segments.

Select List of Key Products in Drug Eluting Stents Market

Manufacturer	DES Stent	Key DES Stent	Key DES Stent Strut Thickness	Drug	Polymer	Stent Platform
Sahajanand Medical Technologies	Supraflex Cruz, Supraflex, Tetriflex	Supraflex Cruz	60 µm	Sirolimus	Bioabsorbable Polymer	Cobalt Chromium
Abbott Vascular	Xience Expedition, Xience Prime, Xience V, Xience Sierra, Xience Alpine, Xience Skypoint	Xience Sierra	81 µm	Everolimus	Fluoropolymer	Cobalt Chromium
Medtronic	Resolute Onyx, Resolute Integrity	Resolute Onyx	2.0 - 4.0 mm: 81 µm 4.5 - 5.0 mm: 91 µm	Zotarolimus	BioLinx	Shell: Cobalt alloy, Core: Platinum Iridium
Boston Scientific Boston Scientific	Synergy, Promus Premier, Promus Element Plus, Promus Element	Synergy	2.25 - 2.75 mm: 74 µm 3.0 - 3.5 mm: 79 µm 4.0 mm: 81 µm	Everolimus	Bioabsorbable Polymer	Platinum Chromium
		Promus Element Plus	2.25 - 3.5 mm: 81 µm 4.00 mm: 86 µm	Everolimus	Fluoropolymer	Cobalt Chromium
Biotronik	Orsiro	Orsiro	2.25 - 3.0 mm: 60 µm 3.5 - 4.0 mm: 80 µm	Sirolimus	Bioabsorbable Polymer	Cobalt Chromium
Biosensors	BioFreedom Ultra, BioFreedom, BioMatrix NeoFlex, BioMatrix Alpha	BioFreedom Ultra	2.25 - 3.0 mm: 84 µm 3.5 - 4.0 mm: 88 µm	Biolimus-A9	-	Cobalt Chromium
Terumo	Ultimaster Tansei	Ultimaster™ Tansei™	80 µm	Sirolimus	Bioabsorbable Polymer	Cobalt Chromium

Source: Frost & Sullivan Research

Select List of Key Products in the TAVI Market

Manufacturer	TAVI	Commentary
Abbott Vascular	Portico, Navitor	• Portico Transcatheter Aortic is claimed to be the first resheathable, self-expanding valve on the market.
Medtronic	CoreValve Evolut R, CoreValve Evolut, CoreValve system	• The Medtronic CoreValve Evolut R, CoreValve Evolut and CoreValve system are built on the CoreValve Platform, designed specifically to meet the clinical needs of TAVI patients. • Evolut R System has been implanted in more than 75,000 patients in 60 countries.
Boston Scientific	Acurate neo	• The Acurate neo Aortic Valve with Transfemoral and Transapical Delivery Systems is a self-expanding supra-annular valve which has offered an intuitive procedure, predictable release and stable positioning.
Edwards Lifesciences	Sapien 3, Sapien 3 Ultra	• Built on the proven strength of the Sapien valve with 5 years of durability. • Sapien 3 has numerous features; among which are an outer sealing skirt which virtually eliminates moderate or greater paravalvular leak, a low frame height and open cell geometry which is in sync with cardiac anatomy, a low profile access demonstrating reduction in major vascular complication etc., all of which make it a major competitor to other TAVI products present in market.
Sahajanand Medical Technologies	Hydra Aortic Valve	Hydra Aortic Valve comprises of below key structural features which provides superior quality to the product: • Low radial strength provides conformability to the shape of the aorta • High hoop strength ensures circular configuration of the bioprosthetic valve • High radial strength provides fixation to the native aortic annuals

Source: Frost & Sullivan Research

Select list of Key Products in the Occlusion Device Market

Manufacturer	Occlusion Devices	Commentary
Abbott Vascular	Amplatzer PFO occlusion device, Amplatzer Septal occlusion device, Amplatzer Multi-Fenestrated Septal occlusion device - Cribriform	• The Amplatzer PFO occlusion device was the first device to be FDA-approved in the USA for PFO closure. • Abbott offers two devices for percutaneous, transcatheter ASD closure i.e. Amplatzer Septal occlusion device, Amplatzer Multi-Fenestrated Septal occlusion device – Cribriform in which the former has been in use since 2001. • Amplatzer devices are known for their high safety and efficacy primarily due to their unique design which comprises durable wire mesh with polyester fabric thread, asymmetric double disk design, and Intaglio wire treatment.
Occlutech International AB	Occlusion devices for PFO, ASD, UNI, PDA, PLD, VSD and Accessories	• Occlutech International is a Swedish company which specializes in the area of minimally invasive structural heart disease devices. The company has a diversified portfolio of occlusion devices catering to different issues around PFO, ASD, UNI, etc. • Occlutech maintains manufacturing and R&D facilities in Jena, Germany and Istanbul, Turkey, with a global supply and customer support hub located in Helsingborg, Sweden.
LifeTech Scientific Corporation	CeraFlex occlusion device, Cera occlusion device, Heart occlusion device, Konar MF VSD occlusion device	• Lifetech is a prominent Chinese participant in structural heart defect occlusion devices. • The company manufactures a range of products, from occluders, stent graft systems, delivery systems, vascular plugs to sizing balloons. • LifeTech Scientific owns subsidiaries and sales offices in 6 countries globally, with a sales network covering more than 100 countries.

Manufacturer	Occlusion Devices	Commentary
Sahajanand Medical Technologies	Cocoon Atrial Septal occlusion device, Cocoon Ventricular Septal occlusion device, Cocoon PDA occlusion device, Cocoon PFO Occlusion device	• SMT offers the Cocoon Duct occlusion device. Made from Nitinol wires coated with platinum using NanoFusion technology, the Cocoon Duct occlusion device is a percutaneous transcatheter occlusion device used in closure of ductus arteriosis. • Based on a similar technology to the Cocoon Duct occlusion device, Vascular Concept's Cocoon Septal occlusion device is targeted for ASD defects.
MicroPort	Evermend PDA occlusion device, Evermend ASD occlusion device, Evermend VSD occlusion device	• MicroPort's Evermend product range is targeted for treatment of closure defects. • Evermend VSD occlusion device has two variants; the Pre-membranous VSD occlusion device and the Muscular VSD occlusion device.

Source: Frost & Sullivan Research

Select list of Key Market Participants in Left Atrial Appendage Occlusion (LAA) Devices Market

Manufacturer	Devices	Commentary
Boston Scientific	Watchman	• Acquisition of Atritech in 2011 paved way for Boston Scientific to include Watchman LAA device in its structural portfolio. • Watchman device is first-of-its-kind, proven alternative to long-term warfarin therapy for stroke risk reduction in patients with non- valvular atrial fibrillation. • Watchman has been the market leader in LAA devices.
Abbott Vascular	Amplatzer Amulet LAA occlusion device	• Amplatzer Amulet Left Atrial Appendage (LAA) occlusion device is part of the industry-leading Amplatzer line of structural intervention occlusion devices utilized in the treatment of left atrial appendage, reducing the chances of severe stroke. The Amulet LAA occlusion device is a part of Abbott's broad structural heart portfolio.

Manufacturer	Devices	Commentary
Occlutech International AB	Occlutech LAA occlusion device	• Occlutech International is a Swedish company. The Occlutech LAA occlusion device comprises a flexible nitinol wire mesh with a loop-anchoring technology and sealing properties.
LifeTech Scientific Corporation	Lambre LAA occlusion device system	• Lifetech is a prominent Chinese participant in structural heart defect occlusion devices. • Lambre LAA Occlusion System is its latest offering in the LAA segment comprising multiple features simplifying its usage.

Source: Frost & Sullivan Research

Select list of Key Products of Peripheral Vascular Devices Market

Stent	Manufacturer	Stent Platform
Supera	Abbott Vascular	Nitinol
Hippocampus	Medtronic	Stainless Steel
EverFlex	Medtronic	Nitinol
Rebel	Boston Scientific	Platinum Chromium
Innova	Boston Scientific	Nitinol
Dynamic Renal	Biotronik	Cobalt Chromium
Pulsar 18	Biotronik	Nitinol
Chroma	Biosensors	Cobalt Chromium

Source: Frost & Sullivan Research

SMT is the Key Emerging Market Participant in the Vascular Devices Market

Companies	Country of Origin	Product Portfolio	Commentary
Sahajanand Medical Technologies (SMT)	India	Stents, PTCA catheters, Accessories, TAVR, Occlusion devices (ASD, VSD, PFO, PDA), Renal and Biliary Stent system	SMT is a global medical device company known for its high-quality product offerings in coronary intervention and peripheral intervention devices. With a presence in 69 countries, SMT products have gained required regulatory approvals in different geographies for patient usage. SMT pioneered the use of biodegradable polymer technology in both stents and ultra-thin stents with a 60-micron strut thickness.
Lifetech Scientific Corporation	China	Occlusion devices, Stent Graft System, Delivery	Lifetech is a China-based company founded in 1999. Currently it is a prominent Chinese participant in

		System, Vascular Plug, Sizing Balloon	structural heart defect occlusion devices and has in addition growth driven by its sales in BRIC countries.

Source: Frost & Sullivan Research

Product Portfolio of Select Domestic Vascular Device Market Participants, India, 2020

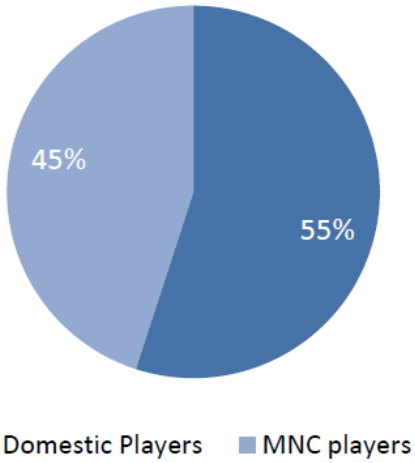
	Interventional Cardiology				Structural Heart Therapy		Peripheral intervention	
Companies	**DES**	**Other stents**	**Cardiac balloon catheters**	**Cardiac accessories**	**TAVI**	**Occlusion Device**	**Peripheral Stents**	**Peripheral drug coated balloons**
Sahajanand Medical Technologies	Y	Y	Y	Y	Y	Y	Y	Y
Meril Life Sciences	Y	Y	Y	Y	Y	Y	Y	Y
Translumina	Y	N	Y	Y	N	N	N	N

Source: Frost & Sullivan Research

India Drug Eluting Stent Market

Traditionally multinational (MNC) market participants such as Medtronic, Abbott Vascular and Boston Scientific accounted for a 50%+ market share in revenues in the vascular devices market in India. However, domestic Indian manufacturers had started to gain market share driven by better penetration in tier II, and tier III cities, and enhanced quality products. NPPA regulated the prices of drug eluting stents in 2017, and reduced the price of the stents significantly. This further accelerated the growth of the tier II and tier III DES market. According to National Interventional Council data, in 2018 more than 98.12% of total stents used were drug eluting stents (DES), while 'Made-in-India' stents contributed to approximately 48.81% of DES used[2]. Since the launch of the "Supraflex" family of stents in 2013, SMT has increased its market share volume by 4.3 times between FY 2013 and FY 2021 and has become one of the fastest growing vascular devices company in India.

Market Share by Volume of Drug Eluting Stents Market, India, 2020



Source: Company Reports, Frost & Sullivan Research

Select List of Key Domestic Products in the Drug Eluting Stents Market, India

[2] National interventional council data 2018.

DES Stent	Manufacturer	Drug	Polymer	Stent Platform
Supraflex Cruz	Sahajanand Medical Technologies	Sirolimus	Biodegradable polymer	Cobalt Chromium
Tetriflex	Sahajanand Medical Technologies	Sirolimus	Biodegradable polymer	Cobalt Chromium
BioMime	Meril Life Sciences	Sirolimus	Biodegradable polymer	Cobalt Chromium
Evermine 50	Meril Life Sciences	Everolimus	Biodegradable polymer	Cobalt Chromium
BioMime Lineage	Meril Life Sciences	Sirolimus	Biodegradable polymer	Cobalt Chromium
ProNova SS	Sahajanand Medical Technologies	Sirolimus	Siloxane Biostable Polymer	Stainless Steel
ProNova CC	Sahajanand Medical Technologies	Sirolimus	Biostable Polymer	Cobalt Chromium

Source: Frost & Sullivan Research

Key Metrics Comparison of Companies in Vascular Devices Market, 2020

Companies	Medtronic	Boston Scientific	Abbott	Edwards Life Science
Revenue in USD million	30,117	9,913	34,608	4,386
EBITDA in USD million	8,236	1,723	8,618	1,431
EBITDA Margin	27.35%	17.38%	24.90%	32.63%
Return on Equity	7.06	(0.56)	13.93	18.88
Return on Invested Capital*	4.74	(0.34)	8.83	16.4
Net Income in USD million	3,606	(82)	4449	823
Net Income Margin	12.0%	(0.83)%	12.86%	18.77%
Research and Development Spend %	8.3%	11.5%	7.00%	17.4%
Total Debt to Total Equity	53.29	62.73	60.67	15.19

Source: Frost & Sullivan Research

* *Return on invested capital is the amount of money a company makes that is above the average cost it pays for its debt and equity capital*

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our business plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to those statements and "Risk Factors," "Financial Information – Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 22, 219 and 279, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the 12 months ended March 31 of that year.

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Financial Information – Restated Consolidated Financial Information" beginning on page 219. Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Independent Market Report on Vascular Devices Market in Select Geographies" dated August 20, 2021, commissioned by us and exclusively prepared and issued by Frost & Sullivan in connection with the Offer ("**Frost & Sullivan**").*

Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Sahajanand Medical Technologies Limited on a standalone basis, and references to "the Group", "we", "us", and "our" are to Sahajanand Medical Technologies Limited on a consolidated basis.

Overview

We are a leading medical devices company that researches, designs, develops, manufactures and markets vascular devices globally. We differentiate our product offering in these categories by providing our customers with high quality products at market appropriate prices supported by strong clinical data. This combination has led us to a leading market share in the drug eluting stent ("**DES**") market in India, with a market share of 21%, 25% and 31% in Fiscals 2019, 2020 and 2021, respectively, of the total DES sales volume in India. We are among the top five companies in terms of market share (by sales volume of DES) in each of Germany, Netherlands, Italy and Poland, as of March 31, 2021 (*Frost & Sullivan*). We have a direct and distributor sales presence in more than 69 countries including direct presence in countries such as Germany, Poland, Spain, France, UK and Brazil. Currently we offer products that are used in: (i) interventional cardiology, i.e., devices used for the treatment of blockages in heart vessels (coronary artery disease), such as coronary stents and catheters; (ii) structural heart therapy, i.e., devices used for treatment of abnormalities in the tissues, walls, and valves of the heart, such as transcatheter aortic valve implants ("**TAVI**") and occluders; and (iii) peripheral intervention, i.e., devices used for treatment of blockages in the blood vessels other than those of the heart, such as renal stents.

Our Company was founded by Mr. Dhirajlal Kotadia who grew up as a young boy through the plight of poverty. As an adult, Mr. Kotadia was moved after witnessing a poor man struggling to pay for his dying wife's medicines. This event inspired Mr. Kotadia to create a company that would focus on making critical life-saving products accessible to the masses that ultimately led to him establishing our Company in 2001. Our Company has been driven by our "*Pledge to Save Millions*" – millions of lives, and millions of Rupees for millions of families around the world. Under Mr. Kotadia's leadership, our Company became the first company in the world to receive CE certification for a DES with a biodegradable polymer and we also launched one of the lowest strut thickness stents with a 60-micron thickness (*Frost & Sullivan*).

We believe that our ongoing research and development ("**R&D**") efforts enable us to continue to develop innovative and technologically advanced products while our operational scale helps us produce products that are affordable for the masses. We constantly seek to enhance our existing products and portfolio while optimizing our manufacturing processes for greater efficiencies. We operate three research and development facilities, located in Surat, India, Galway, Ireland and Nonthaburi, Thailand. Our R&D efforts have led to the development of several key technologies in the vascular devices industry, including our biodegradable polymer in 2005 and our ultra-thin stent, with a 60-micron strut thickness, and our Supraflex Cruz coronary stent, which is considered to be the most deliverable stent (*Frost & Sullivan*). We aim to continue to develop new technologically advanced products and protect our innovations and intellectual property. As of March 31, 2021, we have been granted 67

patents globally with a pipeline of additional 17 patents and four design registrations in India. For further information, see "– *Research and Development*" on page 177.

Our portfolio is led by our flagship coronary stent, *Supraflex Cruz.* In 2016, we initiated a randomized clinical trial that compared our stent, *Supraflex*, against that of a global leading stent manufacturer. The trial demonstrated that *Supraflex*'s clinical performance was non-inferior from a safety perspective and numerically superior from an efficacy perspective to the globally leading brand. In 2018, we introduced a next generation of *Supraflex*, '*Supraflex Cruz*', which is considered to be the most deliverable stent (*Frost & Sullivan*). We believe that the strong combination of clinical performance of *Supraflex Cruz*, combined with its advanced deliverability, has resulted in our market leadership in India and fast growth in Europe and other international markets.

We own and operate two manufacturing facilities in India located at Surat and Bengaluru; where we manufacture products for interventional cardiology and peripheral intervention, and one overseas facility at Nonthaburi in Thailand where we manufacture products for structural heart therapy. We believe our manufacturing infrastructure is a competitive advantage as it allows us to keep product costs down while expediting the design and development of new products. In addition, we are in the process of setting up a new research, development and manufacturing campus in Hyderabad, India to expand our capacity and capabilities. For further information, see "– *Manufacturing Facilities and Capacity*" on page 173.

We recently expanded our product portfolio and entered the structural heart therapy segment through the acquisition of Vascular Concepts and Vascular Innovations in 2020. This acquisition gave us access to *Hydra TAVI*, a unique transcatheter heart valve implant to treat severe aortic stenosis in high-risk, patients. We intend to continue to develop *Hydra TAVI* to expand our total addressable market and enter the growing heart valve market which will be a driver of our future growth. For further details of this acquisition, see "*History and Other Corporate Matters*" on page 185. The global structural heart devices market size was valued at US$5.67 billion in 2020 and is expected to reach US$10.11 billion by 2026, growing at a CAGR of 9.0% during 2021 to 2026 and the structural heart device market in India was estimated to be US$12.4 million 2020 and is expected to grow at a CAGR of 31.0% from 2021 to 2026, reaching US$71.1 million in 2026 (*Frost & Sullivan*).

We have a qualified and experienced 11-member management team, who have been with our Company for an average of eight years, and have experience ranging from 10 to 20 years in their respective areas of operation. We believe that one of the key drivers of the strong performance of our Company is our management team.

In Fiscals 2019, 2020 and 2021, our revenue from operations was ₹3,261.15 million, ₹4,799.09 million and ₹5,885.21 million, respectively. Our revenue from operations has grown at a CAGR of 21.74% from Fiscal 2019 to Fiscal 2021. Set out below is the contribution of each of our business verticals to our revenue from operations.

(*₹ million*)

Particulars	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**
Interventional cardiology	3,168.89	4,344.89	5,021.33
Structural heart therapy	-	32.46	345.57
Peripheral intervention	29.07	166.45	187.39
Others	30.65	173.41	283.74
Other Operating Income	32.53	81.88	47.17
Total	**3,261.15**	**4,799.09**	**5,885.21**

Set out below are details of our revenue from operations according to geography.

(*₹ million*)

Particulars	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**
India	2,472.56	2,953.04	3,118.77
Europe (including RCIS)	284.04	642.52	1,264.12
Asia Pacific (except India)	52.20	152.15	410.82
Latin America ("**LATAM**")	60.28	443.09	557.72
Middle East and Africa ("**MEA**")	359.54	526.41	486.61

In Fiscals 2019, 2020 and 2021, our material margin was 84.49%, 76.09% and 73.12%, respectively. In Fiscals 2019, 2020 and 2021, our Adjusted EBITDA[*] was ₹546.51 million, ₹557.31 million and ₹478.00 million, respectively. In Fiscals 2019 and 2020, our Restated Profit after tax was ₹334.30 million, ₹254.35 million, respectively and in Fiscal 2021, we had a Restated loss after tax of ₹723.38 million.

[*] *Adjusted EBITDA i.e., earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance costs, depreciation and amortization expense, exceptional items and total tax expense to the Restated Profit/(loss) after tax for the year. Accounting and other ratios have been derived from the Restated Consolidated Financial Information. Adjusted EBITDA is a non-GAAP measure. Please see "Management's Discussion and Analysis of Financial Condition and Results of Operation – Non-GAAP Measures" on page 304 for a reconciliation of Adjusted EBITDA calculated from the Restated Consolidated Financial Information.*

Our Competitive Strengths

Technologically advanced products in an industry with high barriers to entry

Our product portfolio covers interventional cardiology, structural heart therapy and peripheral intervention.

Within the interventional cardiology suite of products, a global randomized clinical trial that compared our stent, *Supraflex*, against that of a global leading stent manufacturer demonstrated that *Supraflex's* clinical performance is at par on safety factors and numerically superior on efficacy factors to the globally leading brand. Such clinical performance is driven by the biodegradable polymer and the ultra-thin size of *Supraflex*. This has helped establish the credibility of our products in the global market. Further building on this clinical strength, our *Supraflex Cruz* stent is positioned as the "most deliverable" stent. Deliverability implies high 'ease of use' for implanting physicians in deploying a stent into complex arteries (*Frost & Sullivan*). It is considered an important parameter in the selection of a stent by physicians. Institut für Implantat Technologie und Biomaterialien e.V., an independent laboratory, has verified that *Supraflex Cruz* has better deliverability than Resolute Onyx, Synergy and Xience Sierra (*Frost & Sullivan*). We believe deliverability is a key differentiator for stents and having been able to develop the most deliverable stent has helped us create a niche in this well-developed space, which in turn has led to an increase in market share and has helped in fast growth in certain international markets.

Within the structural heart portfolio, our flagship product is the *Hydra* TAVI. TAVI is an advanced, minimally invasive therapy to treat severe aortic stenosis in high-risk, geriatric patients. Such patients cannot undergo normal cardiac surgery and TAVI is considered to be the only viable alternative. The *Genesis Study*, published in the Catheterization and Cardiovascular Interventions journal ("**CCI Journal**"), demonstrated the high efficacy of the *Hydra* valve in high-risk patients. In the Hydra CE study conducted in Europe and Asia Pacific, *Hydra* demonstrated a strong safety and efficacy profile on 157 patients enrolled in the study.

Within the peripheral products portfolio, *Renofit* is our renal and biliary stent system. The device's features ensure accuracy of lesion coverage.

According to Frost & Sullivan, the industry in which we operate has high barriers to entry, primarily on account of the inability for companies to access the latest technologies, medical devices being highly regulated products (with long gestation periods prior to commercialization) and the requirement for large scale of operations for foothold in India and certain other geographies.

Market leading position in interventional cardiology in India, leveraging on industry growth drivers

India is one of the top three markets for interventional cardiology in the world in terms of revenue growth potential from 2021 to 2026. The Indian interventional cardiology device market was estimated to be US$148.51 million in 2021 and is expected to reach US$271.11 million in 2026, growing at a CAGR of 12.8% during this period. The interventional cardiology device market is expected to grow on account of growing prevalence of coronary heart disease, increase in ageing population, growing penetration of cardiologists and cathlabs healthcare facilities, focus on early diagnostics, greater government support and expenditure and presence of domestic players (*Frost & Sullivan)*. We are a key participant in the DES market in India, with a market share of 21%, 25% and 31% in Fiscals 2019, 2020 and 2021, respectively, of the total DES volume sales in India. We have increased our market share in volume by 4.3 times between Fiscal 2013 and Fiscal 2021 and have become one of the fastest growing vascular devices company in India (*Frost & Sullivan*). We have been able to attain our position as market leaders in the DES market in India due to a number of factors, including:

(i) *Quality products:* As set out above in "- *Technologically advanced products*", the quality and clinical performance of our products has been instrumental in our growth and success.

(ii) *Manufacturing efficiency*: As set out below in "- *Robust and efficient manufacturing capabilities generating healthy margins*", our vertically integrated facilities have aided in our growth.

(iii) *Strong sales and marketing team*: Our domestic sales operations are headed by highly qualified and experienced professionals, who are supported by a team of 131 sales personnel and 94 logistics associates as of March 31, 2021.

(iv) *Strong Client Base:* Our strong sales and marketing efforts have resulted in our client base including *marquee* hospital chains such as Narayana Hrudayalaya Ltd., Sterling AddLife India Pvt. Ltd., Medanta, Fortis Hospitals, Max Hospitals and Paras Hospitals in India, with many of whom we have had longstanding relationships. Due to our history of operations in India and strong relationships with customers, we stand to benefit from the high-entry barrier against domestic competition.

(v) *Presence across India*: As of March 31, 2021 we had 37 branches across India operating as logistic centers and/or offices through which we marketed and sold our products. We also have a wide-reaching distribution network with 28 distributors in 19 states in India selling our products, as of March 31, 2021. We have established robust sales and direct distribution networks, and have established a strong presence across *Tier* 1, Tier 2 and Tier 3 cities and towns in India. We also have access to more than 900 cath labs across India, as of March 2021. (*Frost & Sullivan*).

(vi) *Strategic Partnerships*: We also look at opportunities to enter into strategic partnerships with global brands for *products* which are complementary to our suite of products. For instance, in 2018, we entered into a strategic partnership with Cardinal Health Medical Products India Limited for exclusive distribution of *Cordis* products and through which we have accessed the cardio accessories and endovascular segments. This has helped us to provide a complete suite of products in the interventional cardiology space.

As a result of the above, we have been able to gain market share in India over the years.

We expect to continue our growth, on account of various drivers, including an increase in per capita income and healthcare spend, along with greater awareness about health diagnostics and penetration of medical insurance. The vascular devices market in India was valued at US$159.8 million in 2020. (*Frost & Sullivan)* With the Government of India's focus on policy framework and ecosystem support, and the increase in demand of healthcare services in India, the Indian vascular device industry is expected to grow at a faster pace than the global industry, at a CAGR of 15.4% between Fiscal 2021 and Fiscal 2026, compared with the global vascular devices market, which is expected to grow at a CAGR of 8% during the same period. The NPPA enforced pricing controls on DES, in 2017, and reduced the price of stents significantly. This accelerated the growth of the DES market in Tier 2 and Tier 3 towns and cities, and it is expected that such growth will continue. (*Frost & Sullivan*). We believe we are well-positioned to take advantage of this growth as a result of our deep and growing reach across Tier 2 and Tier 3 towns and cities.

Fast growth in international markets

We have direct operations in 10 countries and distributor sales presence in more than 59 countries. We have implemented a direct go-to-market strategy ("**GTM Strategy**") in certain large international markets to market our products. The GTM Strategy entails the hiring of seasoned professionals with a proven track record in the relevant local market, meaningful engagement with key opinion leader doctors ("**KoL**") and the successful execution of innovative marketing strategies to establish our products as the preferred choice of cardiologists. We use the GTM Strategy in certain key European markets, such as Germany, Spain, France, UK, Ireland and Poland. We started marketing our products in Germany and Poland in 2019 and we are among the top five companies in terms of market share by volume of sales of DES in both these countries as of March 31, 2021 (*Frost & Sullivan*). To augment our growth in these markets, we have also engaged robust sales teams, with industry experience, on the ground in these geographies. We have also made strategic investments and acquisitions of companies in certain key international markets where we intend to have a direct presence, to leverage the experienced sales force and to gain access to any existing customer relationships. For instance, in June 2019, we acquired Imex Clinic Salud S.L ("**Imex**"), which was our distributor in Spain. In September 2019, we acquired Zarek Distribuidora De Produtos Hospitalares Eireli ("**Zarek**"), a sales and marketing company with a portfolio of interventional cardiology and endovascular products based in Brazil, which was also our distributor. For further details of such acquisitions, see "*History and Other Corporate Matters*" on page 185. We also intend to use the GTM Strategy to commercialize certain of our other product offerings as well.

We have also established a distribution network in Europe, LATAM, MEA and Asia Pacific, where, we do not have a direct presence. Within these geographies, which are catered to through our distribution network, we are among the top five companies in terms of market share by volume of sales of DES in Netherlands and Italy, as of March 31, 2021 (*Frost & Sullivan*). Across markets, our distributors are supported by a dedicated sales team that seeks to engage with leading local physicians while building our brand. We extend further support to our distributors through sharing marketing strategies on active marketing, including direct participation in regional conferences and scientific programs. As a result, in Fiscals 2019, 2020 and 2021 our revenue from operations from international geographies was ₹756.06 million, ₹1,764.16million and ₹2,719.27 million, which accounted for 23.18%, 36.76% and 46.21% of our total revenue from operations, respectively.

We have also recently obtained approvals in Argentina, Singapore and Taiwan to market certain of our products, which will open these large and strategically significant markets for our business. To accelerate our international growth, we are currently in the process of obtaining product registrations in other markets. For instance, in the U.S., we are at the pre-submission phase of product approval. We are also in the process of seeking approval from relevant authorities to market our products in Korea.

Robust and efficient manufacturing capabilities generating healthy margins

We operate three manufacturing facilities, located in (i) Surat, Gujarat in India; (ii) Bengaluru, Karnataka in India; and (iii) Nonthaburi in Thailand. We are currently in the process of setting up a new R&D and manufacturing campus in Hyderabad in India. For further information, see " – *Manufacturing Facilities and Capacity*" on page 173.

We believe that our vertically integrated facilities with a large scale of operations provide us with tremendous economies of scale and significant bargaining power with suppliers, primarily due to our ability to negotiate prices with our suppliers for raw materials by buying in bulk. We achieve backward integration through the end-to-end production of catheters and stents at our manufacturing facilities. We also have an in-house sterilization process, which provides us with an advantage in terms of both cost and efficiency. From time to time, we also develop customized machines for use in our manufacturing processes, equipping us with greater control on both cost and quality. This process includes equipment for laser cutting, electro polishing, quality control and drug-coating. Additionally, our manufacturing bases in India and Thailand provide us with a significant labor cost advantage. India has one of the lowest manufacturing labor costs, with hourly compensation costs estimated to be less than US$2 in 2018, in comparison to US$32.42 in the UK and US$5.51 per hour in China (*Frost & Sullivan*). We have over 20 years of experience in precision metals processing through laser cutting and electro polishing, drug and polymer coating, balloon catheter manufacturing, processing advanced alloys such as nitinol, valve processing and manufacturing advanced delivery catheters for self-expandable devices, making our manufacturing operations more efficient and cost-effective.

All our manufacturing facilities are ISO 13485:2016 certified and product specific quality approvals are listed in the table below.

Product Quality Certifications					
Facility Location*	**National Approvals (in country of origin)***	**CE Certificates**	**MDSAP#**	**ANVISA**	**Korean GMP**
Sachin SEZ, India	CDSCO Approval	✓	✓	✓	N/A
Nonthaburi, Thailand	Thai GMP	✓	N/A	✓	✓
Bangalore, India	CDSCO Approval	✓	N/A	N/A	N/A
Galway, Ireland	HPRA Approval	✓	N/A	N/A	N/A

** For further details refer to "– Manufacturing facilities"*

 # The MDSAP or medical device single audit program, allows for medical device manufacturers to be audited once for compliance with the standard and regulatory requirements of up to five different medical device markets: Australia, Brazil, Canada, Japan and the United States. It is not a mandatory certificate. Our Company's products have MDSAP approval whereas products manufactured by Vascular Innovations are audited through ANVISA directly.

Proven R&D capabilities

We operate three R&D facilities, located in Surat in India, Galway in Ireland, and Nonthaburi in Thailand. Our R&D facility in Surat is recognized by the Government of India's Department of Scientific and Industrial Research. We have strong in-house R&D capabilities, which enables us to develop an innovative and diversified range of vascular devices. Our R&D team is led by highly qualified professionals with industry experience ranging from 15 to 21 years, and post-doctoral degrees in biomedical engineering, technology and toxicology. Due to our R&D efforts, we have been a pioneer in the vascular devices industry, having introduced the biodegradable polymer in 2005, the ultra-thin stent with a 60-micron strut thickness in the same year, and the most deliverable stent in the industry in 2017. We were also the first company globally to obtain CE approval for the biodegradable polymer DES (*Frost & Sullivan*). Through our acquisition of Vascular Concepts and Vascular Innovations, we also acquired nitinol technology, a platform technology that can be used to develop a wide range of products in the vascular space. As a result of our intensive R&D efforts, we have been granted 67 patents globally with 17 additional patents in the pipeline and four design registrations in India. We are supported by various research institutes, such as the Institute of Chemical Technology, Mumbai (India), Department of Biotechnology (Govt. of India), and SVNIIT, Surat. We leverage their specialized expertise to augment our research capabilities while developing cutting-edge products and/or product features.

The performance of our products is validated through global clinical trials. The results are published in globally reputed medical journals, which lends credibility to our products and our Company as a whole. We have published (in peer-reviewed journals) clinical data on DES manufactured by us for 26,970 patients as of March 31, 2021.

In 2016, we initiated TALENT, a randomized clinical trial that compared the performance of our stent, Supraflex, to the stent of a global leading stent manufacturer. The study involved the participation of more than 1,435 patients across seven countries in Europe. The trial demonstrated that Supraflex's clinical performance is at par on safety factors and numerically superior on efficacy factors both in short-term (i.e., one year) and long-term (i.e., three years) to the globally leading DES brand. The one-year results were presented by Professor Patrick Serruys for Supraflex as the Chairman of TALENT Clinical Study in the TCT 2018 – world's premier conference on interventional cardiovascular medicine. The TALENT trial results were also published in The Lancet, a widely recognized medical journal.

Dr Lars Sondergaard presented the results of the Hydra CE study, the results of which established that the Hydra valve demonstrated a strong safety profile, in the PCR Valves 2020, a medical conference. Similarly, the Genesis Study demonstrated the high efficacy of the Hydra valve in high-risk patients, as per the Principal Investigator, Dr. Praveen Chandra. The results were also published in the CCI Journal.

Most recently, in 2021, we published the results of an international multi-center study on the Cocoon ASD Occluder with 4,008 patients in the Hellenic Journal of Cardiology. Dr Basil Vasilios D. Thanopoulos, as the corresponding author, concluded that the implantation of Cocoon septal occluder provided satisfactory procedural and follow–up results with high success and no device related cardiac erosions and nickel allergy.

Experienced and stable leadership team supported by a highly skilled employee base

We are led by highly qualified senior executives with global experience in the medical devices R&D, manufacturing, business development, quality assurance, quality control and human resources sectors. Our founder, Mr. Dhirajlal Kotadia, was at the forefront of the use of laser technology-based solutions. (*Frost & Sullivan*).

The average tenure of the senior leadership of our Company is seven years. We believe that the experience and skill of our leadership and broader organization have been instrumental in our success. Our personnel policies are aimed towards recruiting talented and experienced individuals, facilitating their integration into the organization and promoting their development. We also have in place robust corporate governance standards based on established code of ethics and transparency in operations, which we believe has helped attract and retain committed employees. In addition to the established policies, we believe that we have and will continue to build a strong culture of openness, honesty, teamwork, risk-taking and growth.

Our Strategies

Leverage existing relationships by capturing cross-selling synergy in high growth vascular products and continue market leadership in India.

We expect to continue our market leading position in India by continuing to develop alongside the growing interventional cardiology market in India. The Indian interventional cardiology device market was estimated to be US$148.51 million in 2021 and is expected to reach US$271.11 million in 2026, growing at a CAGR of 12.8% during this period (*Frost & Sullivan*). We have a strong presence across India with access to more than 900 cathlabs as of March 2021 (*Frost & Sullivan*), and expect to leverage this to establish ourselves in the structural heart and peripheral intervention markets in India.

India's structural heart device market was estimated at US$12.4 million in 2020 and is expected to grow at a CAGR of 31.0% from 2021 to 2026, reaching US$71.1 million in 2026. The structural heart market is a highly regulated segment with long development cycles and high barriers to entry. According to Frost & Sullivan, TAVI device volume sales in the United States were estimated to be 56,730 units in 2020 and are expected to reach 89,617 units in 2026, growing at CAGR of 6.6% from 2021 to 2026. This contrast with India, where TAVI device volume sales were estimated to be 650 units in 2021 and are expected to reach 3,708 units in 2026, growing at a CAGR of 41.7% from 2021 to 2026, representing substantial growth potential in this vertical. We believe there is still substantial unmet demand for TAVI products from Indian hospitals to which we currently market our products. Within India, we intend to provide systematic training on the use of TAVI products to cardiologists by conducting proctor and operator training programs. To qualify as a proctor, a cardiologist must have handled 10 to 15 patient cases where TAVI is used, and an operator must have handled a minimum of five cases under the supervision of a proctor, before taking on cases independently. A proctor is considered an expert in the use of the TAVI and is qualified to train other cardiologists. We also intend to help upgrade the infrastructure for TAVI programs by providing analysis indications for cases where TAVI may be used. In addition, we propose to increase TAVI awareness among hospital and general physicians by conducting training for general physicians to be able to identify cases where TAVI may be used.

According to Frost & Sullivan, we are considered to be a fast growing and upcoming market leader in interventional cardiology in certain key markets in Europe, with strong relationships with various KOLs. We believe we can leverage our existing relationships with KOLs to grow our structural heart therapy business, since the KOLs are largely the same in both fields. We intend to increase our sales efforts by marketing our structural heart products to the hospitals to which we currently market *Supraflex Cruz*. Our direct access to KOLs across markets in the cardiac interventional therapy vertical, as well as the addition of specialized clinical teams on the ground, will also enable us to expand into new hospitals in existing markets. In addition, we will continue to participate in heart valve conferences and academic events, such as the London Valve conference, the EuroPCR conference and other local conferences to further promote awareness of our structural heart therapy products and TAVI in general. We believe that these marketing activities will strengthen our brand recognition and build a strong connection while gaining a foothold in the fast-growing global TAVI market.

Within the structural heart space, occluders also present an additional growth area for us. According to Frost & Sullivan, sales of occluders around the globe were estimated to amount to U.S.$1.13 billion during Fiscal 2021 while growing at a CAGR of 3.2% to reach U.S$ 1.32 billion by 2026. Similar to TAVI, we believe that there is a substantial unmet need for occluders as well, especially in developing countries such as India. Our strategy to grow this business entails (i) creating a greater awareness and access to therapy by executing awareness campaigns among hospitals, general physicians, and relevant decision makers of reimbursement policies and institutions, (ii) leveraging our existing sales and distribution infrastructure and reach in India and abroad, (iii) expanding our presence in new countries, through registration of our products and (iv) focusing on brand awareness across geographies, through conferences as well as dedicated marketing campaigns to cardiologists.

We believe our (i) team-oriented approach and strong partnerships with hospitals and clinicians; (ii) market reach through our distribution infrastructure; and (iii) established market position in the stent market will help us to rapidly grow in this market.

Continue to expand our international business

The introduction of technologically advanced products (such as Supraflex Cruz) backed by clinical data (such as the TALENT clinical trial) and the success of direct operations through our go-to-market strategy in several key countries have enabled us to grow our business, particularly in the interventional cardiology segment at a

significantly high rate, with our sales from interventional cardiology segment growing from ₹3,168.89 million to ₹5,021.33 million. We believe the commercialization of advanced and high value products such as TAVI and occluders such as patent foramen ovale will further fuel our growth. As of March 31, 2021, we have an existing direct or distributor sales presence in 69 countries, with a direct presence in ten countries and distributor sales presence in 59 countries outside India. We aim to continue to expand our direct sales presence in certain key strategic markets. We also intend to continue to establish a presence in new geographies, by completing the relevant product registration/approval processes in these geographies and by establishing strong distribution networks.

Entry into the U.S. and Japan markets

We are currently in the process of pursuing a regulatory program to enter the U.S. and Japan markets to commercialize and market our stents and catheters. In the United States, we are in the process of obtaining USFDA approvals for *Supraflex Cruz* and *Pipit*, a PTCA balloon dilation catheter. We are currently at the pre-submission phase and are conducting pre-clinical studies and engineering tests. In Japan, we propose to leverage our tests and data from the USFDA process while taking advantage of the regulatory harmonization route between US and Japan to achieve approvals in both countries. Our entry into these markets will provide further opportunities to expand our international footprint. According to Frost & Sullivan, access to the U.S. and Japan will provide access to an additional 45% or more of the global DES market in value, as per market size estimates in 2020.

Upon receiving these regulatory approvals, we would leverage our experience from the successful entry and commercialization in highly developed markets such as Germany, France and the UK, while executing a go-to-market strategy encompassing (i) building local sales and distribution infrastructure on the ground through acquisitions, partnerships, and direct hires, (ii) leveraging existing relationships with KOLs and (iii) building brand awareness through local conferences and marketing campaigns to doctors and hospitals.

With increasing penetration in the countries in which we currently have a presence, creating additional direct presence in untapped countries, establishing our strong clinical efficacy through clinical trial programs and continuing our focus on our structural heart portfolio of products, we plan to continue to expand our international business.

Continue to develop and optimize niche and high value products

We plan to continue to expand our technological coverage to the structural heart and peripheral intervention space while continuing to invest in incremental innovation of existing products. Our product pipeline includes products which, according to Frost & Sullivan, are considered to be high value and fast growing, such as left atrial appendage and products in the peripheral segment. For further details, see " – *Product Pipeline*" on page 173. We believe we have demonstrated our R&D expertise by delivering technologically advanced products, including the development and manufacture of one of the most deliverable stents in the world, *Supraflex Cruz*. Our efforts in developing a biodegradable polymer for use in stents and the ultra-thin stent platform showcase our ability to continuously optimize our products, which we believe helps us maintain our market leading position in the interventional cardiology sector in India and certain other markets.

We also invest in clinical studies to provide clinical evidence of our advanced technologies and demonstrate the effectiveness and marketability of our product portfolio. For instance, clinical data from the TALENT clinical trial (published in The Lancet medical journal) demonstrated *Supraflex*'s clinical performance, which was numerically superior on efficacy factors when compared with a global leading brand. Our clinical strategy focuses on studies that will: further enhance and leverage the clinical strength of *Supraflex* (as demonstrated in the TALENT clinical trial) and expand indications while demonstrating efficacy in a range of patient sub-groups.

Continue to explore strategic partnerships and acquisition opportunities to fast track our growth and become a global vascular device player

Our established international network and direct access to global KOLs, hospitals and physicians give us significant insights into strategic opportunities, which we believe could fast track our vision to become a global market leader in the vascular device industry. We have successfully completed and integrated three acquisitions in the last two financial years. We make strategic investments and acquisitions in an effort to diversify our product offerings and to gain entry into new geographies or increase penetration in markets where we already have a presence. In May 2020, we acquired Vascular Concept and Vascular Innovations and entered the structural heart therapy segment. These acquisitions have provided us with an opportunity to commercialize on fast growing, high

value products, such as TAVI and have also helped to consolidate our market share in India. Through our acquisitions of Vascular Concepts and Vascular Innovations, we acquired nitinol technology, a platform technology that can be used to develop a wide range of products in the vascular space. In June 2019, we acquired Imex, which was our distributor in Spain. In September 2019, we acquired Zarek, a sales and marketing company with a portfolio of interventional cardiology and endovascular products based in Brazil, which was also our distributor. The acquisitions of Imex and Zarek helped us gain a direct presence in Spain and Brazil, and we have been able to leverage their experienced sales forces with knowledge of the industry while also having access to their existing customer base. In 2018, we entered into a strategic partnership with Cardinal Health Medical Products India Limited for exclusive distribution of *Cordis* products and through which we have gained access to the cardio accessories and endovascular segments. This has helped us to provide a complete suite of products in the interventional cardiology space.

We will continue to evaluate strategic partnership and acquisition opportunities that have the potential to fast track our entry into advanced products with high growth potential, strengthen our R&D and manufacturing capabilities or provide us with an entry into a large vascular device market such as the U.S. or Japan.

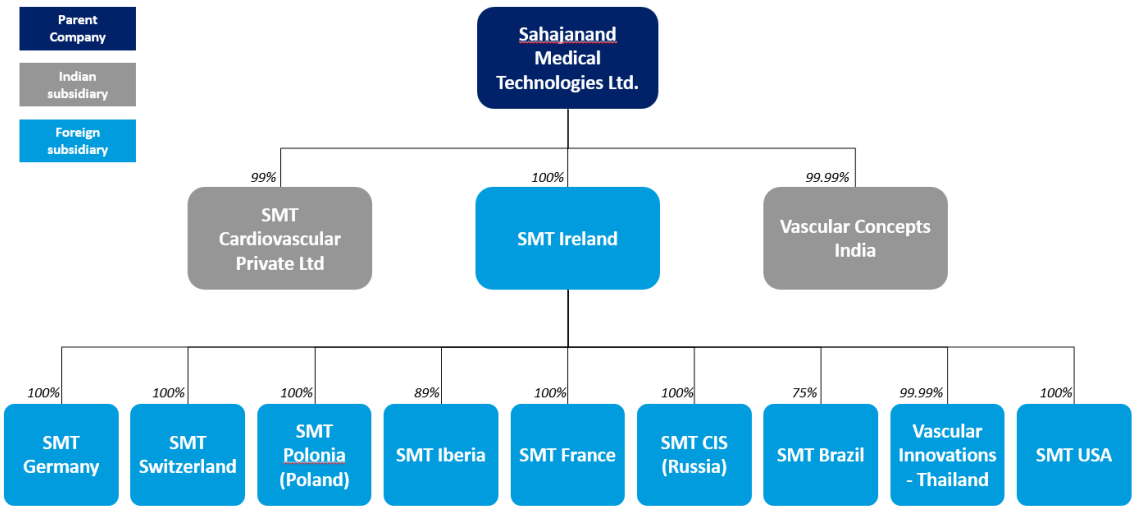
Improve margins through captive consumption, efficiency in sales and marketing and improvements in working capital

We are in the process of replacing externally sourced balloon catheters with self-manufactured balloon catheters. As of March 31, 2021, approximately 56,324 of a total of 67,477 balloon catheters sold, were manufactured in-house. We believe that this strategy of captive consumption will help us strengthen our material margins in the sales of DES. In addition to our effort to improve margins through captive consumption, we are also focusing on our sales and marketing strategies. Our investments in hiring senior and experienced country sales managers in certain international markets have resulted in initial penetration and have established Supraflex Cruz as a recognized brand. Our existing international sales team is comparatively new and due to the tender and contractual nature of business, we believe that account openings and penetration will increase. We believe we will be able to further increase the sales efficiency of our existing global sales team by leveraging our newly acquired structural heart products since the customer base remains same. The overlap of customers would also further help in achieving corporate and administrative efficiencies. We anticipate that our revenue will grow at a faster pace due to these factors.

We are also in the process of switching from the GTM Strategy in India to a distributor model. We believe this will enable us to reduce working capital investment as account receivable days in a distributor business model are lower compared to the GTM Strategy. We believe that the account receivable days in TAVI and our international business are low. We believe that our strategy to focus on the growth of TAVI and the international business would help reduce our working capital investment due to lower account receivable days.

Corporate Structure

Set out below is the corporate structure of our Company and subsidiaries, as of March 31, 2021.



Description of our Business

We research, design, develop, manufacture and market vascular devices in India and globally. We have direct operations in 10 countries and distributor sales presence in more than 59 countries through a network of 67 distributors in these countries, as of March 31, 2021. We manufacture and supply our products domestically and to certain key markets in Europe based on orders received directly from end-customers, i.e., hospitals and doctors. For other jurisdictions, we receive orders and forecasts from our international distributors, who in turn place orders and provide forecasts based on the inventory levels that they maintain.
Our product portfolio

Our products are divided into three main product verticals:

(i) **Interventional cardiology**, i.e., devices used for the treatment of blockages in heart vessels (coronary artery disease);

(ii) **Structural Heart Intervention**, i.e., devices used for the treatment of abnormalities in the tissues, walls, and valves of the heart;

(iii) **Peripheral intervention**, i.e., devices used in treating peripheral vascular diseases which are slow and progressive blood circulation disorders caused by blockages, aneurysm, narrowing or spasms in blood vessels outside the heart and brain vessels; and

(iv) **Others**, including accessories such as PTMC balloons, sizing balloons, micro catheters, manifolds, Y-connectors, aspiration catheters, introducer kits, urine collectors, snares and other products. These products are primarily related to our business in Brazil, Spain and India.

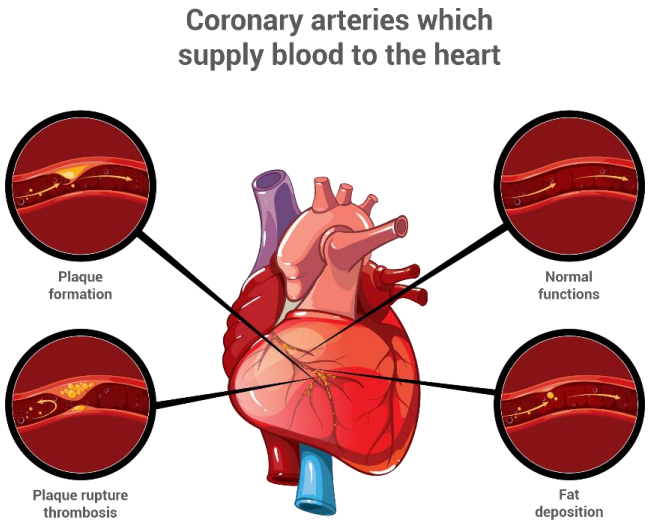
In Fiscals 2019, 2020 and 2021, our total revenue from operations was ₹3,261.15 million, ₹4,799.09 million and ₹5,885.21 million, respectively and our Restated Profit after tax was ₹334.30 million and ₹254.35 million in Fiscal 2019 and 2020 and in Fiscal 2021, we had a Restated loss after tax of ₹723.38 million.

Brief details of our key products are set out below.

Interventional cardiology

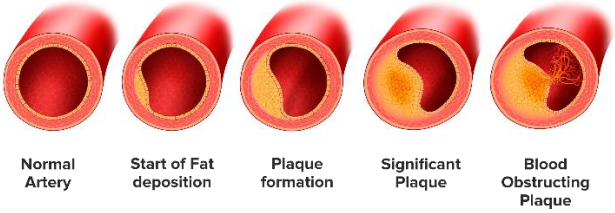
Drug eluting stents:

DES are tube-shaped metallic meshes that are coated with a drug, often embedded in a polymer, allowing the controlled release of the drug. DES are used to treat coronary artery disease. Coronary artery disease, the most common type of heart disease, is a condition characterized by narrowing of the coronary arteries that carry blood to the heart.

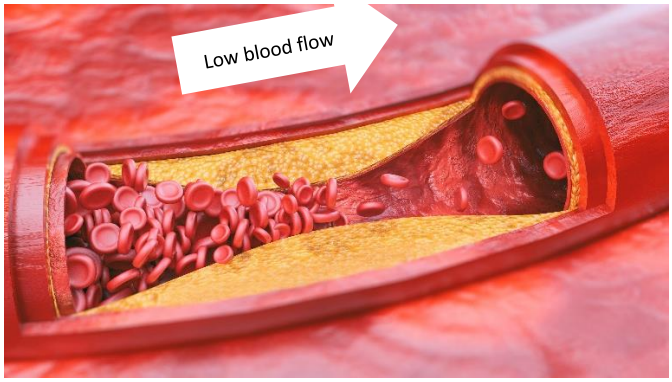


It is caused by arteriosclerosis, a disease in which the inner layers of the artery walls become thick and irregular due to deposits of fat, cholesterol and other substances, collectively referred to as plaque.

Arteriosclerosis

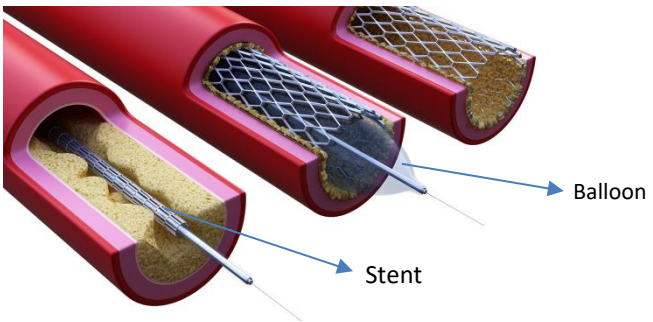


When coronary arteries become clogged or narrowed by plaque as to restrict blood flow and the delivery of oxygen to the heart muscles, the condition is called myocardial ischemia.



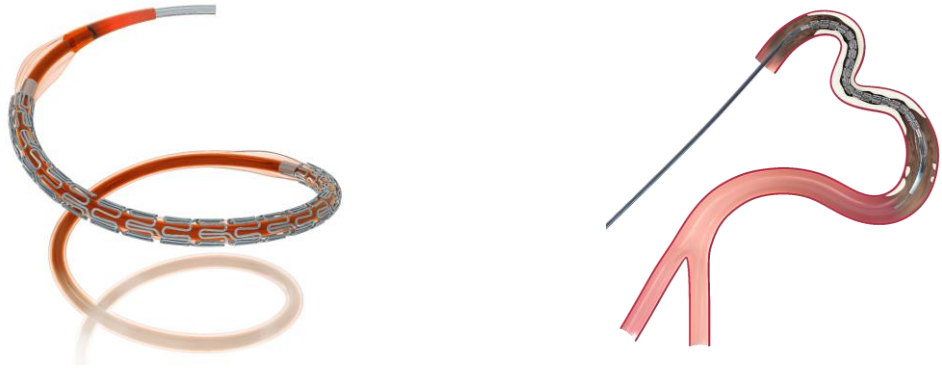
The primary symptoms of coronary artery disease and myocardial ischemia include heart attack and angina, the medical term for chest pain or discomfort due to myocardial ischemia. The DES is implanted in the coronary artery through a minimally invasive procedure known as an angioplasty. The metal mesh of the DES helps widen clogged arteries and restores adequate blood flow to the heart while the drug releases to the affected tissue to minimize the natural inflammatory response caused by the placement of the DES and to inhibit proliferation of tissue inside the DES during the healing process. Since incorporation, we have developed and optimized multiple versions of coronary stents. The brand name of our current flagship and most advanced DES is Supraflex Cruz. Supraflex Cruz belongs to the Supraflex family of stents, which, through a series of clinical trials including TALENT, have been proven clinically safe and effective alternative to other DES in clinical practice.

Angioplasty – Implantation of stent in lesion

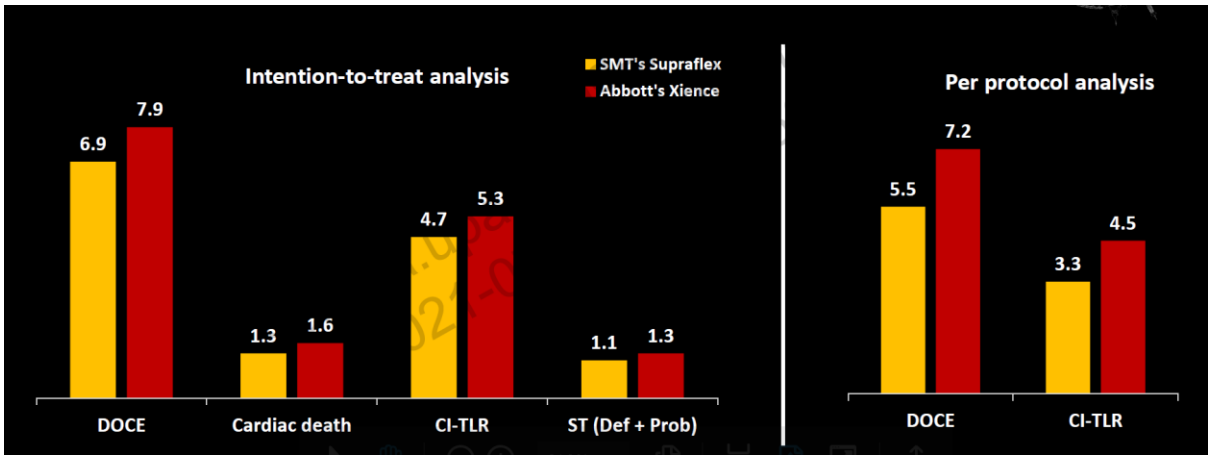


Supraflex Cruz was launched by our Company in 2018 and was CE certified in 2019. It is positioned as being the "most deliverable" stent. (*Frost & Sullivan)* It is an advanced stent with features such as low strut thickness (60 microns across all diameters), biodegradable polymer and is offered in many sizes.

Flexibility and deliverability of Supraflex Cruz in tortuous lesion



Supraflex Cruz has been implanted in more than 400,000 patients globally as of March 31, 2021. The clinical safety and performance of *Supraflex Cruz* is supported by comprehensive clinical studies. The early optical coherence tomography ("**OCT**") imaging studies (TAXCO and SiBi) have demonstrated low inflammation and very early healing properties with the *Supraflex Cruz*. The TALENT trial study published in The Lancet medical journal demonstrates clinical efficacy of the *Supraflex*, on par with its global peers.



Notes: DOCE: device oriented composite endpoint (lower value is better); CI-TLR: clinically-indicated target lesion revascularization (lower value is better); ST: stent thrombosis (lower value is better).

Source: TALENT trial presentation at TCT by Prof Patrick Serruys

In the U.S., we are in the process of obtaining USFDA approval to market *Supraflex Cruz.* We are currently at the pre-submission phase and are conducting pre-clinical studies and engineering tests.

PTCA Balloon Dilatation Catheter

Semi-compliant percutaneous transluminal coronary angioplasty ("**PTCA**") balloon dilatation catheter is inserted in the vessels to open the blockage for implanting a stent, while non-compliant balloon is also utilized during the post-deployment of a stent for uniform expansion and optimal opposition to the artery wall.

Pipit SC is a semi-compliant PTCA balloon dilatation catheter, which was launched by our Company in 2017 and was CE certified in 2017. It uses our proprietary technology to ensure quick inflation/deflation and reduces ischemic complications.

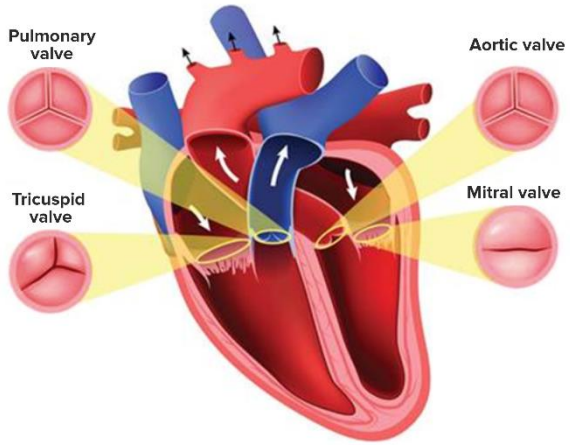
Pipit NC is a non-compliant PTCA balloon dilatation catheter, which was launched by our Company in 2017 and was CE certified in 2017. It has advanced deliverability and pushability with a low rewrap profile, which ensures a smooth retrieval of the device.

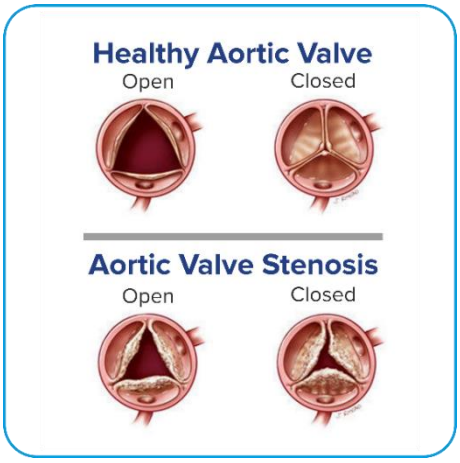
In the U.S., we are in the process of obtaining USFDA approval to market *Pipit*. We are currently at the pre-submission phase and are conducting pre-clinical studies and engineering tests.

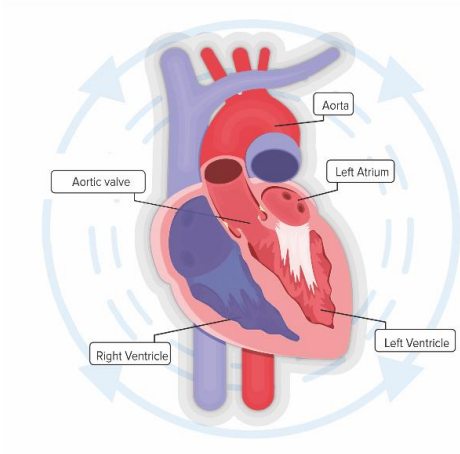
Structural Heart Intervention

TAVI (Transcatheter Aortic Valve Implantation)

TAVI is used to treat patients with severe aortic stenosis or aortic regurgitation, also referred to as aortic valvular heart disease. Aortic valve disease is caused by damage to or a defect in the aortic heart valves. Normal valves facilitate proper blood flow, and if they become too narrow and hardened (stenosis) or are unable to close completely, normal blood flow through the heart is disrupted.

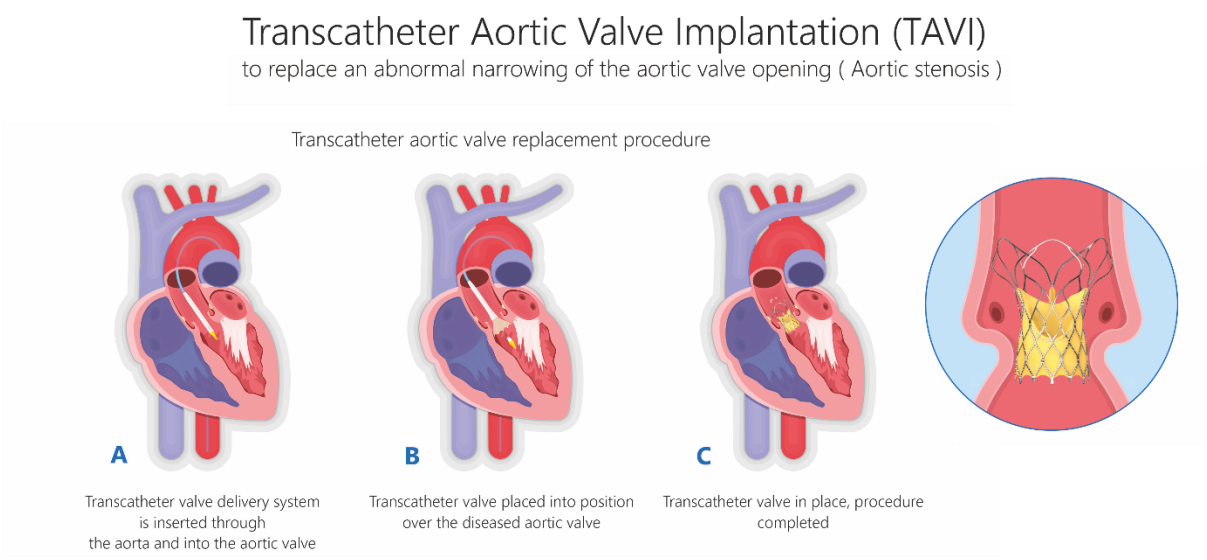






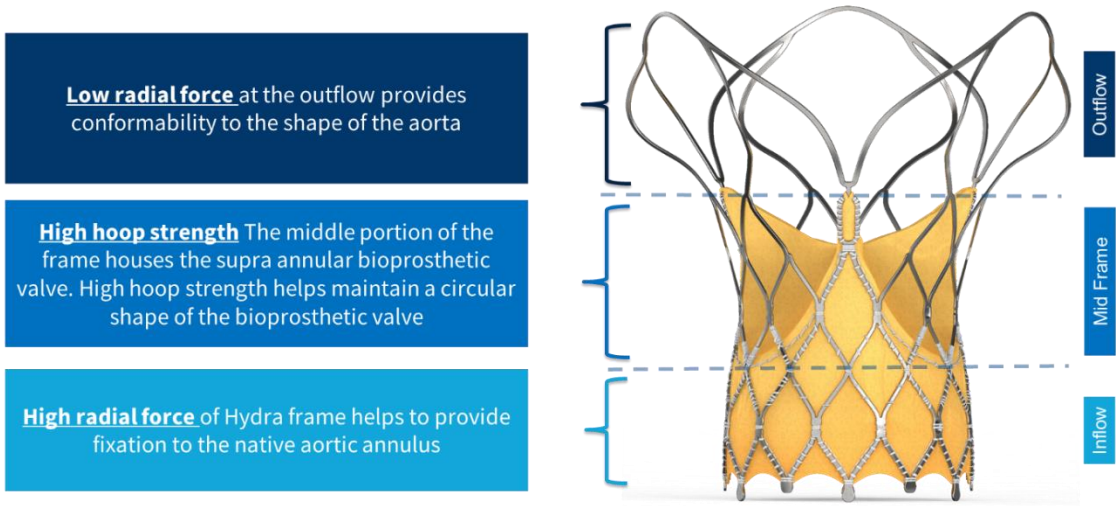
Current treatments for aortic valve disease include drug therapies, balloon valvotomy, open heart surgery and other invasive techniques such as Surgical Aortic Valve Replacement ("**SAVR**") that help regularize blood flow. However, these invasive treatments have limitations and patients of high surgical risk cannot undergo SAVR. Balloon valvotomy is used primarily in children and very young adults with congenital aortic stenosis. SAVR is a common choice for patients who are less than 65 years old with low surgical risk. TAVI is usually performed

on patients who are ineligible for surgeries and patients over 65 years old with intermediate to high surgical risk, and the TAVI application is also now expanding into patients of low to intermediate surgical risk.



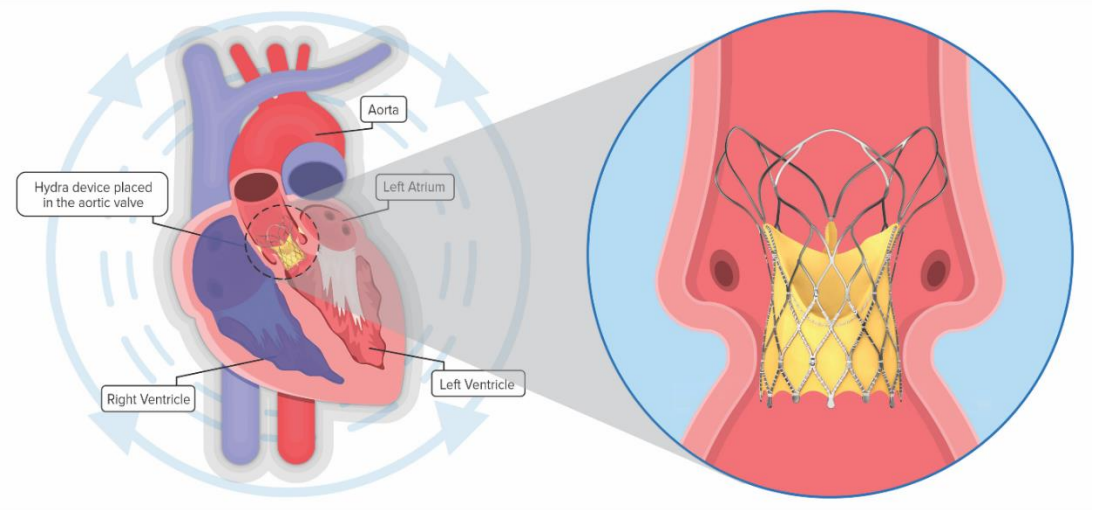
The Hydra valve is a self-expandable, re-sheathable, re-positionable and retrievable self-expanding transcatheter aortic valve that ensures patient safety and ease of use for the cardiologist during deployment. It is a novel bioprosthetic aortic valve made of a self-expandable nitinol stent frame and three bovine pericardium leaflets in a supra-annular position. It is safe to re-sheath the Hydra valve that are deployed up to 80%. Hydra has a supra-annular design which helps in a larger aortic valve area with a better hemodynamic performance post-procedure. It has optimal radial strength in the outflow portion, which in turn helps with flexibility and ease of delivery of the frame, reducing the chance of trauma to the aortic root during the delivery of the valve to the aortic annulus and sealing skirt mitigating paravalvular leaks. Hydra has advanced features, such as markers on the frame for accurate guidance while deploying the frame. The non-flared inflow part of the stent frame reduces interference with the conduction system. Large open cells facilitate easy future coronary access. The product was CE certified in 2020.

Hydra Aortic valve design



The Hydra valve demonstrated a strong safety profile in 157 patients enrolled in a Hydra CE clinical study conducted in Europe and Asia-Pacific. The GENESIS trial of the Hydra valve, in which 40 patients had been enrolled, showed favorable and sustained six-month safety and performance outcomes.

Hydra Valve Implantation



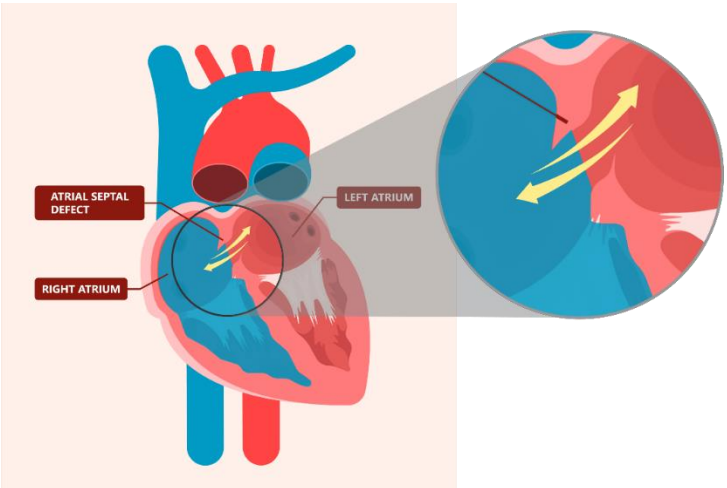
Occluders

Structural heart occluders are used to close heart defects, openings, or appendages. During percutaneous closure of defects, the occluder device is attached to a catheter, inserted into a vein in the groin, and advanced to the heart and through the defect. The device is then pushed out of the catheter so that it covers each side of the defect, thereby closing it. When in the proper position, the device is released from the catheter, and the catheter is retrieved. Heart tissue may grow into and over the implant over time.

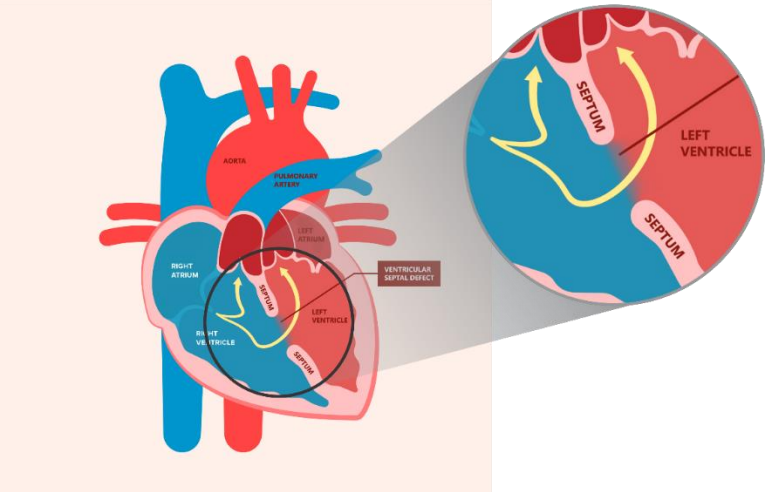
Occluder device indications

There are several defects, openings, or appendages that may require a closure procedure with an occluder device. These conditions include:

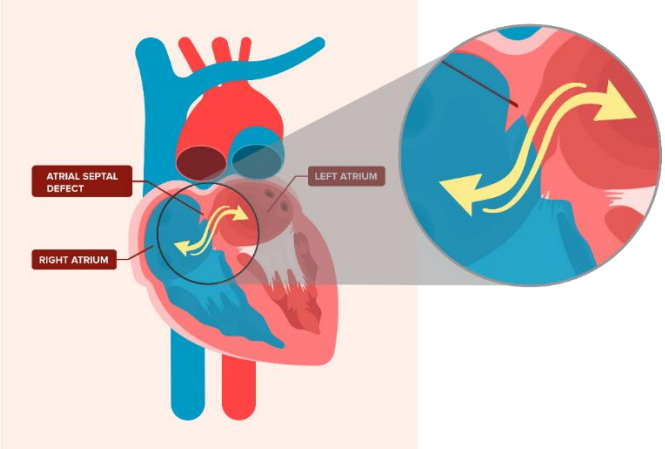
- Atrial septal defect (ASD): a hole in the wall between the atria



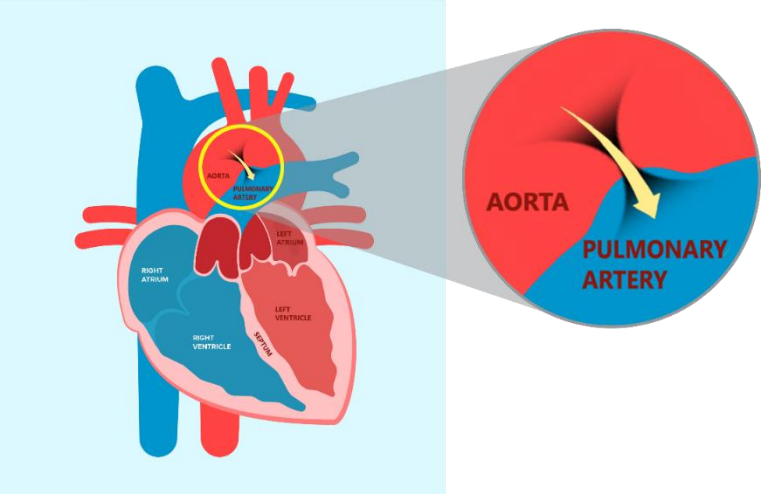
- Ventricular septal defect (VSD): a hole in the wall between the ventricles



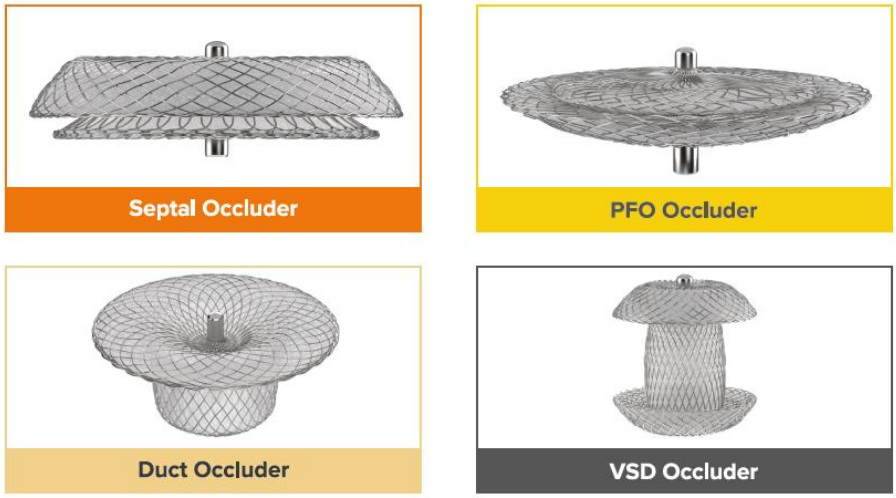
- Patent foramen ovale (PFO): when the foramen ovale does not close spontaneously post-natal



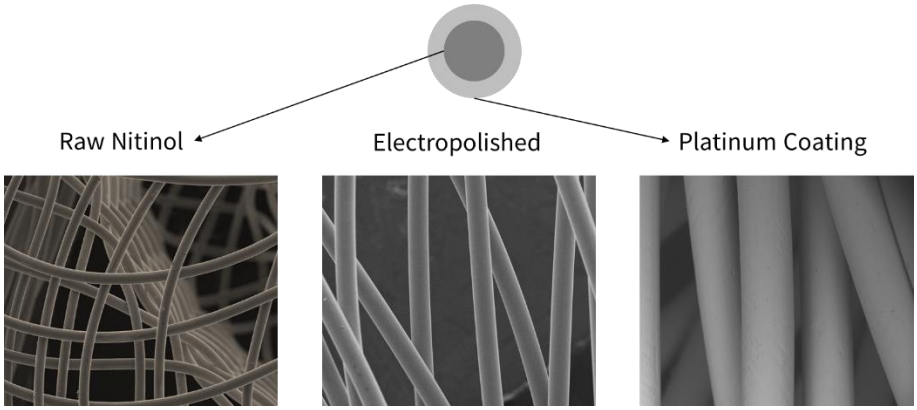
- Patent ductus arteriosus (PDA): when the ductus arteriosus does not close spontaneously post-natal



Cocoon is an advanced transcatheter occluder device, which is a self-expandable double disc device made up of platinum-covered nitinol. The wire mesh and platinum coating provide superior bio-compatible properties when compared to only nitinol treatment, and prevents corrosion of the nitinol wire frame in long-term implants.



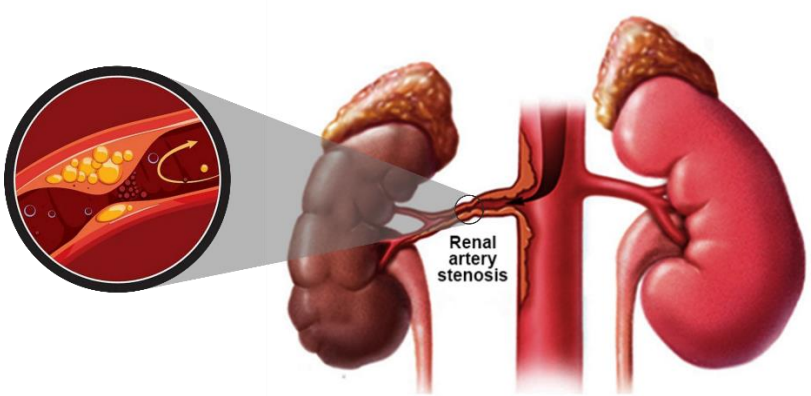
Cocoon was launched in 2008. The duct and septal occluder was CE certified in 2010 and the PFO and VSD occlude was CE certified in 2016. The platinum coating also provides radio opacity, which allows for easy positioning and a high success rate of closure.



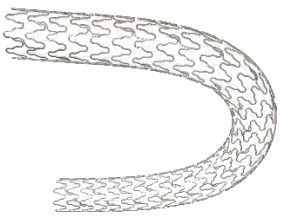
Peripheral Intervention

Renofit is a balloon expandable cobalt chromium renal and biliary stent system that was launched by our Company in 2015. It received DGCI approval in 2014. It is used for improving arterial luminal diameter in patients with clinical symptoms attributable to atherosclerotic stenosis of the peripheral renal arteries. The stent provides enhanced trackability and precise ostial positioning due to minimal foreshortening.

Renal artery stenosis



Renofit



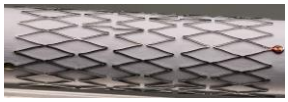
Product Pipeline

We have the following products in our R&D pipeline.

Peripheral Intervention

- **SFA Stent**

SFA stents such as coronary stents are used to open the blockage and restore the blood flow in superficial femoral artery ("**SFA**"). SFA is an artery that runs through the length of the thigh near the femur. The estimated global revenue forecast for the SFA stent is US$ 0.9 billion in Fiscal 2021. (*Frost & Sullivan*)

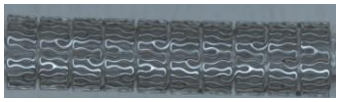


- **Peripheral DCB**

Peripheral drug coated balloons are used to treat blockages in arteries supplying blood to the lower limbs. The balloon is inflated inside the blocks and the drug on the surface of the balloon is then transferred to the tissue during the inflation. The drug reduces the chances of re-blockage. The estimated global revenue forecast for the Peripheral DCB is US$0.8 billion in Fiscal 2021. (*Frost & Sullivan*)

- **Iliac Stent**

Iliac stents are used to treat blockages in iliac arteries, which are located at the top of each leg. The estimated global revenue forecast for the Iliac stent is US$ 0.3 billion in Fiscal 2021. (*Frost & Sullivan*)



Structural Heart

- **Left Atrial Appendage (LAA) Closure**

The LAA Closure closes the LAA sac and reduces the risk of thrombus embolization and stroke. The LAA is a small, ear-shaped sac in the muscle wall of the left atrium. Due to atrial fibrillation, there is an increased risk of blood clot formation inside the LAA, these clots can embolize and reach the blood vessels of the brain and cause stroke. The estimated global revenue forecast for the LAA closure device is US$0.8 billion, as of Fiscal 2021. (*Frost & Sullivan*)

Ongoing Approval Processes

In the U.S., we are in the process of obtaining USFDA approval to market *Supraflex Cruz* and *Pipit.* We are currently at the pre-submission phase and are conducting pre-clinical studies and engineering tests.

Manufacturing Facilities and Capacity

We manufacture all of our products in-house at our manufacturing facilities, details of which are set out below.

Sachin SEZ, Surat, Gujarat in India, for the manufacture of stents and catheters. The facility is located on a manufacturing area of 6,888 square meters. This facility has received various certifications, including:

- CDSCO Approval
- MDSAP certificate
- Approval from ANVISA, the Brazilian Health Regulatory Agency
- ISO 13485:2016

Bengaluru, Karnataka in India, for the manufacture of coronary stents. The facility is located on a manufacturing area of 1,762 square meters. This facility has received ISO 13485:2016 certification.

Nonthaburi, Thailand, for the manufacture of TAVI devices and occluders. The facility is located on a manufacturing area of 2,300 square meters, and has received the following certifications:

- GMP certification from ANVISA, the Brazilian Health Regulatory Agency
- ISO 13485:2016
- Thai FDA approval for the manufacture of medical devices
- GMP certification from Korea FDA

SMT Ireland, located in Galway, Ireland is a legal manufacturer of coronary stents and PTCA Balloon Catheter of our Company's products under the OBL OEM agreement. The combined R&D facility and manufacturing facility is located on an area of 4,500 square feet. This facility received ISO 13485:2016 certification in 2019.

We are also in the process of setting up an integrated R&D and manufacturing facility in Hyderabad in India. As of the date of this Draft Red herring Prospectus, we have completed the acquisition and development of the land and are executing the civil construction of the plant.

Capacity and Capacity Utilization

The table below sets out certain information with respect to the capacity and utilization rate of our facilities.

	Fiscal 2019			**Fiscal 2020**			**Fiscal 2021**		
	Annual Production Capacity	**Annual Production Output**	**(%) Utilization Rate**	**Annual Production Capacity**	**Annual Production Output**	**(%) Utilization Rate**	**Annual Production Capacity**	**Annual Production Output**	**(%) Utilization Rate**
Surat									
Stents	360,000	267,776	74%	480,000	435,691	91%	480,000	447,891	93%
Catheters	300,000	143,802	48%	300,000	172,398	57%	360,000	163,375	45%
Bengaluru#									
Coronary stents							50,000*	18,374	37%
Nonthaburi#									
TAVI devices							1,000	316	32%
Occluders							10,000	6,104	61%

** Processing capacity of 50,000 stents per year*

#The Bengaluru and Nonthaburi facilities are a part of the acquisition of Vascular Concepts and Vascular Innovations, which was completed in May 2020, as a result, data for Fiscal 2019 has not been provided.

Manufacturing Process

We use various technologies for manufacturing our devices, including laser cutting, electro-polishing, drug coating and crimping. We have expertise in handling different kinds of specialized materials and we also develop customized manufacturing equipment, which provides us with a greater control on both cost and quality, such as equipment for laser cutting, electro polishing, drug-coating and quality control.

We rely on a combination of in-house processing and third-party suppliers for raw materials and components. We have supply agreements with certain suppliers for raw materials and components and procure most of our materials on a purchase order basis. Several components used in our devices rely on single source suppliers and we routinely prioritize, evaluate and qualify backup sources. We typically maintain several months' worth of raw material in inventory.

The main raw materials and components used in the manufacture of our products are metal tubes, plastic tubes, drugs and polymers. In Fiscals 2019, 2020 and 2021, our materials and related costs (consisting of cost of materials consumed, purchase of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress), amounted to ₹505.83 million, ₹1,147.35 million and ₹1,582.11 million, respectively, accounting for 15.06%, 23.40% and 26.73%, respectively, of our total income in the same periods We import chromium tubes, coronary guide wires and certain other accessories from countries such as Germany and China.

Key Clinical Trials

TALENT Trial – Supraflex

In 2016, we initiated TALENT, a clinical trial that compared the performance of our stent, *Supraflex*, against the stent of a global leading stent manufacturer. The study was executed in a randomized setting, with the participation of more than 1,435 patients across seven countries in Europe. The results of the trial indicated that *Supraflex*'s clinical performance is at par on safety factors and numerically superior on efficacy factors as compared to the globally leading brand. The results were published in The Lancet, a highly reputed medical journal.

In the three-year follow-up studies conducted on patients, Supraflex stents were as safe and efficacious as the market leading stent. As on the date of this Draft Red Herring Prospectus, four randomized clinical trials (FIRE trial, Multi-vessel Talent trial, TUXEDO 2 trial, and Compare 60-80 Trial) are in progress in India and Europe, with over 5,000 patients, including clinically complex patients such as those with multi-vessel disease, diabetics and patients with high bleeding risk. We also have initiated Cruz Senior registry, which is a uniquely designed study for octo-and nonagenarians in Europe. The Cruz Senior registry is a post-market registry to enroll 2,000 octo- and nonagenarian all-comer patients with coronary artery disease who will undergo PCI using at least one Supraflex Cruz sirolimus eluting stent, in sites across Germany, Switzerland, France and Austria. The patients will be followed up for 12 months to monitor device oriented composite endpoint defined as composite of cardiovascular death, target-vessel myocardial infarction and clinically driven target lesion revascularization.

Genesis Study – Hydra

We also presented the results of the Hydra CE study in the PCR Valves 2020, a medical conference. Similarly, the *Genesis Study*, published in the CCI Journal, demonstrated the high efficacy of the *Hydra* valve in high-risk patients.

International multi-center study – Cocoon

Most recently, in 2021 we published the results of an international multi-center study on the *Cocoon* ASD Occluder for 4,008 patients in the Hellenic Journal of Cardiology, which demonstrated that the implantation of our Cocoon septal occluder provided satisfactory procedural and follow–up results with high success and no device related cardiac erosions and nickel allergy.

Sales, Marketing and Distribution

We have direct operations in 10 countries and distributor sales presence in more than 59 countries. We have implemented a direct go-to-market strategy, pursuant to which we market our products to end-customers in India and certain key markets in Europe, Asia and South America. We have established a stepwise approach to market development, which centers on active engagement across key stakeholders. We sell our products primarily through a direct sales force that engages with cardiologists in India and these key countries. Our coronary stents and other products are typically implanted by an interventional cardiologist at a hospital. Our sales personnel also work with hospitals to leverage their existing resources to efficiently establish, market and raise awareness of our products, by conducting medical education programs. In addition, we intend to continue to publish additional clinical data in various industry and scientific journals, online and through presentations at various industry conferences.

We market and sell our products in India through our sales team, which, as of March 31, 2021, comprises 131

sales personnel and 94 logistics associates spread across 37 branch offices in India. Our international sales team comprises of more than 60 personnel as of March 31, 2021. We have onboarded seasoned industry leaders to manage our operations in geographies such as France, Germany, Poland, LATAM, Russia and the Commonwealth of Independent States ("**RCIS**") and the United Kingdom. We plan to expand our commercial organization, recruiting and training talented sales personnel in existing and new markets to help facilitate further adoption and broaden awareness of our products. We believe that investing in a scalable, efficient direct sales force and continuing the development of our marketing efforts will help us broaden adoption of our solutions to drive revenue growth.

Our key customers in India include Narayana Hrudayalaya Ltd., Sterling AddLife India Pvt. Ltd., Medanta, Fortis Hospitals, Max Hospitals and Paras Hospitals. Our key global customers include Charite Universitatsmedizin Berline and Instituto Dante Pazzabnese de Cardiologia.

In addition to our direct go-to-market strategy, we also supply our products to other countries through a network of 67 distributors. We continually invest in strengthening our distributor relationships through active engagements with the distributors as well as key customers in their respective territory.

Competition

Our industry is highly competitive and subject to rapid changes from the development of new products and technologies and other activities of industry participants. We compete with several domestic companies, as well as large multi-national companies.

Our global competitors in intervention cardiology devices and peripheral intervention devices include, Abbott Vascular, Boston Scientific, Medtronic, Meril Life Sciences and Translumina. In relation to our structural heart devices, we compete with global companies such as Abbott Vascular, Medtronic, Boston Scientific, Edward Lifesciences, and Meril Life Sciences. (*Frost & Sullivan*)

Employees

As of March 31, 2021, we had 964 full-time employees, 410 contract-based employees and 24 consultants. We focus on providing proper and adequate training to our new employees. After gaining sufficient experience and skills, our staff members are promoted internally to more senior roles with greater responsibilities.

Our employees are not part of any union. We believe the relationship between our management and staff is strong. There has been no instance of work stoppage or labor dispute that adversely affected our operations. We provide our employees with a range of benefits, including medical coverage, life insurance, provident fund, gratuity, leave encashment and bonus payment along with a performance-based incentive scheme and employee stock options.

Quality Control

We consider quality control to be important to our business and we have implemented quality control measures at various stages of our production and operations. We have rigorous quality control procedures for raw materials being used in the manufacturing process and for finished products. Our products pass through stringent quality tests, and our quality assurance team monitors various stages of the manufacturing process and performs finished product inspections to ensure the quality of our products. Please also see "*Regulations and Policies*" for details of the quality control rules and regulations applicable to our Company.

All products are manufactured in accordance with current GMP. We are also subject to routine internal and external quality audits for GMP and CE compliance, which ensure that our quality systems are consistent with current international standards. Our various manufacturing facilities are also periodically certified by independent and reputed external agencies. These certifications include DCGI (India), CE (Europe) and ANVISA (Brazil). For further details, see "*Government and Other Approvals*" on page 319.

Health and Safety Matters

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted a health and safety policy that is aimed at complying with legislative requirements and the requirements of our licenses, approvals, and various certifications, and ensuring the safety of our employees and the people working at our facilities, R&D centers, or under our management.

Research and Development

Our R&D team supports our interventional cardiology, structural heart and peripheral businesses. Since our Company's inception, we have devoted a significant amount of resources to the development of our portfolio of products. Most of the products, including DES, balloon catheters, TAVI and self-expandable delivery systems, are developed in-house.

We operate three R&D facilities, located in Surat in India, Galway in Ireland and Nonthaburi in Thailand, and we have an experienced and dedicated team of 48 employees at our R&D centers, as of March 31, 2021. Our R&D team is led by experienced and highly qualified professionals, the majority of whom have been with our Company for more than a decade. The main objectives of our research and development initiatives are to develop an innovative and diversified range of vascular devices, continuously improve the features & performance of existing products and improve process efficiencies. Our R&D activities are vital to our efforts to maintain our competitiveness in the rapidly changing industry in which we operate. In Fiscals 2019, 2020 and 2021, our Research and Development Expenses including expenses incurred towards USFDA approval/ clinical trials amounted to ₹579.94 million, ₹1,002.79 million and ₹863.50 million, which comprised 17.78%, 20.90% and 14.67% of our revenue from operations.

To further strengthen our R&D capabilities, we have collaborated with various research institutes, including the Institute of Chemical Technology, Mumbai, the National Institute of Galway, Galway University, Ireland, the Department of Biotechnology, and the GoI, to augment highly specialized capabilities, which may be required from time to time while developing a cutting-edge product and/or product feature.

Information Technology

Our information technology ("IT") systems are vital to our business and we have adopted IT policies to assist us in our operations. The key functions of our IT team include establishing and maintaining enterprise information systems and infrastructure services to support our business requirements, and maintaining secure enterprise operations through, among others, ransomware policy, IT Infosec policy, IT network policy and IT back-up policy. The IT function of our Company also has a dedicated sub-team that is staffed with talented personnel and resources who customize IT tools for the smooth functioning and execution of our business operations. Our operations are managed over SAP as the ERP system.

Insurance

We maintain insurance coverage that we consider necessary for our business. Our Company maintains vehicle insurance policies, director and officer liability insurance, burglary insurance, standard fire and special perils policy, clinical trial liability insurance, product liability insurance and marine cargo policy. Our Company also maintains medi claim policy and personal accident insurance for our key officers.

Intellectual Property

As of March 31, 2021, we have been granted 67 patents globally with a pipeline of 17 additional patents and four design registrations in India. We have also registered or have applied for registration for several trademarks in connection with our business in India, including *Supraflex*, *Supraflex Cruz*, *Hydra* and *Cocoon*.

We primarily acquire patents through self-development or from third parties through patent purchasing or business acquisition. We may rely, in some circumstances, on trade secrets and/or confidential information to protect aspects of our technology. We seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with consultants and scientific advisers. We have entered into confidentiality agreements and non-competition agreements with our senior management and certain key members of our R&D team and other employees who have access to trade secrets or confidential information about our business. Our standard employment contract, which we use to employ our employees, contains a clause, under which we own all the rights to all inventions, technology, know-how and trade secrets derived during the course of such employee's work.

We also own several registered trademarks and copyrights across geographies with respect to the brand names of products we are using. For a list of intellectual property owned and registered by us, see "*Government and Other Approvals*" beginning on page 319.

Properties

Our registered office is located at Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta Nani Ved, Ved Road, Surat – 395 004. Gujarat, India, and our corporate office is located at 221, C – Wing, Kankia Atrium, Andheri – Kurla Road, AAI Colony, J B Nagar, Andheri East, Mumbai, Maharashtra 400059, Maharashtra, India.

We own the land on which our manufacturing facilities are located in Surat, Gujarat and Bengaluru, Karnataka, and the upcoming plant in Hyderabad, Telangana. Our manufacturing facility in Nonthaburi, Thailand is leased.

Corporate Social Responsibility

We have adopted a CSR policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Our major areas of focus are promoting education, eradication of poverty and hunger, medical research and development and vigilance against COVID-19. During the COVID-19 pandemic, we undertook an initiative to procure, manufacture and distribute PPE kits to hospitals and other frontline workers across India, including in remote areas.

Our CSR expenses have increased from ₹6.30 million in Fiscal Year 2019 to ₹8.80 million in Fiscal Year 2020 and ₹11.48 million for Fiscal Year 2021, demonstrating our continuing support and commitment to CSR initiatives.

Certifications and Awards

For details of our awards, see "*History and Certain Corporate Matters*" beginning on page 185.

KEY REGULATIONS AND POLICIES

The following is an overview of the key Indian laws and regulations which we consider relevant to the operations of our Company. This overview is only intended to provide general information to investors and is neither exhaustive nor is designed or intended to substitute for professional legal advice. Investors are advised that the current provisions of Indian law and the judicial and administrative interpretations thereof, are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained or applied for by us, see "Government and Other Approvals" on page 319.

Laws in relation to our business

The Drugs and Cosmetics Act, 1940 ("DCA")

The DCA regulates import, manufacture, distribution and sale of drugs and cosmetics in India including labelling, packing and testing requirements as well as matters pertaining to drug formulations and its active ingredients. Some classes of medical devices are also governed by the DCA. These include devices such as syringes, stents, knee implants, intravenous cannulas and ligatures.

The DCA empowers the Central Government to prescribe rules for testing and licensing new drugs. The procedures envisaged under the DCA provide for obtaining a series of approvals at different stages of testing drugs (based on the different class of drugs) before the Drug Controller General of India ("**DCGI**") and/or respective state licensing authority which grants the final license to allow the drug to be manufactured and marketed. The Ministry of Health and Family Welfare, Government of India ("**MoHFW**"), has, through a notification, brought certain medical devices, such as stents, under the definition of drugs under the DCA. From April 1, 2020, manufacturers or importers of medical devices are required to upload the generic name, model number, intended use, class of medical device, material of construction, dimensions, shelf life and brand name on the online portal of the Central Drugs Standard Control Organisation. Once the device is registered, the manufacturer or the importer will have to mention the registration number on the device.

The Medical Devices Rules, 2017 ("MDR")

The MDR, effective April 1, 2018, makes registration mandatory for all manufacturers and importers of medical devices in India (except for certain exempted medical devices). The MDR have been framed under the DCA. These rules lay down quality requirements to be followed by marketers/ importers/ manufacturers/ sellers of notified medical devices. The quality control rules are based on the classes of medical devices, which have been divided into Classes A through D based on their underlying risk factors. The DCA and the MDR are intended to ensure quality and safety of notified medical devices at all levels of the supply chain by enforcing a mandatory license requirement. All importers/ manufacturers/ sellers of notified medical devices must obtain a license from the appropriate licensing authority before undertaking any commerce in notified medical devices. A license is issued only after quality checks. Furthermore, for testing, evaluation and manufacture of Medical Devices with or without a predicate device, the Central Licensing Authority (CLA) first grants a testing license. The license holder's business premise is subject to periodic inspections. A license holder is also required to maintain detailed records of the sales/ purchases undertaken in relation to notified medical devices and ensure traceability in the event of a quality or safety-related failure or complaint. Manufacturers or importers of notified medical devices will be required to compulsorily register their medical devices with the DGCI before October 1, 2021. If an importer or manufacturer is unable to obtain registration for its Device(s) before October 1, 2021, it will not be able to market and sell its medical device in India until a registration is obtained. Every manufacturer/ importer who obtains a registration number for its medical device will have to display the registration number on its label. A certificate of compliance with ISO-13485 (Medical Devices – Quality Management Systems – Requirements for Regulatory Purposes) is mandatory for registration of newly notified medical device.

The Drugs and Cosmetics Rules, 1945 ("DC Rules")

The DC Rules have been enacted to give effect to the provisions of the DCA to regulate the manufacture, distribution and sale of drugs and cosmetics in India. The DC Rules, give effect to the provisions of the DCA, and lay down the conditions that manufacturers and importers must fulfil before commencing operations, and the procedures which need to be followed to procure such approvals from the DCGI and/or the state FDCA.

The DC Rules prescribes the drugs or classes of drugs or cosmetics for the import of which a licence is required, and prescribe the form and conditions of such licences, the authority empowered to issue the same and the fees

payable therefore. On payment of a license retention fee, the license granted remains valid for a continuous period of five years subject to compliance of DC Rules and Schedule M, which lays down Good Manufacturing Practices for Premises and Materials. A licensee is also required to register with and submit the information pertaining to its licenses obtained over the portal SUGAM (www.cdscoonline.gov.in). The DC Rules provide for the cancellation or suspension of such licence in any case where any provisions or rule applicable to the import of drugs and cosmetic is contravened or any of the conditions subject to which the licence is issued is not complied with. The DC Rules further prescribe the manner of labelling and packaging of drugs. Other licenses such as licences for selling, storing, stockpiling, storing for wholesale, etc., are also issued under the DC Rules. The DC Rules are also applicable to manufactures and importers of medical devices, as medical devices have also been brought under the ambit of the DCA.

Drugs (Prices Control) Order, 2013 ("DPCO")

The DPCO was issued by the Central Government under Section 3 of the Essential Commodities Act, 1995 and in supersession of the Drugs (Prices Control) Order, 1995, thereby giving effect to the National Pharmaceuticals Pricing Policy, 2021. The DPCO, *inter alia*, provides that the Central Government may, with a view to achieve adequate availability and/or to regulate the distribution of drugs, and/or in public interest, direct any manufacturer to increase the production, and/or to sell any pharmaceutical ingredient/bulk drug/formulation at, or below a certain ceiling price.

Through a notification dated May 8 2015, the Government of India has stated that for the purposes of the DPCO, any person who markets, manufactures, or markets drugs for distribution for sale in the country shall be considered a manufacturer. Further on December 21, 2016, Bare Metal Stents (BMS), and Drug Eluting Stents (DES), including metallic DES and Bioresorbable Vascular Scaffold (BVS)/Biodegradable stents were added to Schedule I of the DPCO. In furtherance of this, the prices for stent have been capped, and are revised at periodic intervals, in accordance with paragraph 16(2), read with paragraph 13(2) of the DPCO.

The Essential Commodities Act, 1955 ("ECA")

The DPCO, 2013 was passed by the Central Government under Section 3 the ECA.

Section 3(1) of the ECA states that if the Central Government is of the opinion that for maintaining or increasing supplies of any essential commodity or for securing their equitable distribution and availability at fair prices, or for securing any essential commodity for the defence of India or the efficient conduct of military operations, it is necessary or expedient to regulate or prohibit the production, supply, and distribution thereof and trade and commerce therein, it may do so by passing an order. An order under Section 3 of the ECA may provide for the regulation by licenses, permits, or otherwise of the production of manufacture of an essential commodity; for controlling the price at which an essential commodity may be sold; for the regulation of the storage, transport, distribution, disposal, acquisition, use or consumption of, any essential commodity; for requiring any person holding stock, or engaged in production, or in the business of buying or selling of any essential commodity, to sell the whole or specified part of the quantity held in stock or produced or received by her/ him.

The National List of Essential Medicines, 2015 ("NLEM 2015")

The MOHFW formulated the National List of Essential Medicines in line with the recommendations and the Model List of the World Health Organization. NLEM 2015 had been introduced to replace the National List of Essential Medicines, 2011 ("**NLEM 2011**") and classifies 376 drugs as essential. The NLEM seeks to address concerns regarding the affordability and accessibility of medicines. The list of essential medicines guides the hospital drug policies, procurement and supply of medicines in public sector, medicine cost reimbursement and medicine donations, and helps in monitoring the pricing of medicines.

Following the directions from the High Court of Delhi in Writ Petition No. 1722 of 2015, the MOHFW constituted a committee, based on the recommendation from which, coronary stents were added to the NLEM 2015, in exercise of powers under Section 3 of the ESA 1955 and the DPCO 2013, through an order dated February 13, 2017.

Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology Act, 2009 ("**LM Act**") lays down standards of measurements and prescribes the units of weights and measures. The LM Act mandates that all pre-packaged commodities should carry appropriate

declarations and particulars that are prescribed from time to time. The Legal Metrology (Packaged Commodities) Rules, 2011("**LM Rules**") prescribe the information to be included in the label of any packaged goods. Medical devices regulated as drugs were exempted from the provisions of the LM Rules. By an amendment in 2017, all medical devices regulated as drugs were brought under the purview of the LM Rules from April 1, 2018.

Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991 ("**PL Act**") imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances has been issued by the Government through a notification. The owner or handler of such a substance is required to take an insurance policy, insuring against liability under the legislation. An amount equal to the premium has to be contributed towards the Environment Relief Fund. The payment of the contribution is to be made to the insurer itself.

Tax Laws

In addition to the laws described above, some of the tax legislations that apply to the operations of our Company include:

1. Income Tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years;

2. Central Goods and Service Tax Act, 2017, the Central Goods and Tax Rules, 2017 and various state-wise legislations made thereunder;

3. The Integrated Goods and Service Tax Act, 2017 and rules thereof;

4. Professional tax-related state-wise legislations; and

5. Indian Stamp Act, 1899 and various state-wise legislations made thereunder.

Laws related to Intellectual Property Rights

The Patents Act, 1970

The Patents Act, 1970 ("**Patent Act**") governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights. Under the Patent Act, the term invention means a new product or process involving an inventive step capable of industrial application. A patent under the Patent Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product without his consent.

The Designs Act, 2000 ("Design Act")

The Design Act, which came into force in 2001, along with the rules made thereunder consolidates and amends the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms, by an industrial process or means, whether manual, mechanical, or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye. To register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs for it to be registered. A registered design is valid for a period of 10 years after which can be renewed for a second period of five years, before the expiration of the original period of 10 years. After such period the design is made available to the public by placing it in the public domain.

The Trade Marks Act, 1999 ("Trademarks Act")

Trademarks enjoy protection under both statutory and common law and Indian trademark law permits the registration of trademarks for both goods and services. The Trademarks Act governs the statutory protection of trademarks and the prevention of the use of fraudulent marks in India. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming

to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trade Marks Rules, 2017 have subsequently been enacted and implemented, which have overhauled the regime with respect to assignment and transmission, statement of use, well known trademarks, opposition proceedings, etc.

Environmental Laws

The Environment Protection Act, 1986 ("EPA") and the Environment Protection Rules, 1986

The EPA is an umbrella legislation designed to provide, a framework for the Government to coordinate the activities of various central and state authorities established under other laws, such as the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981. The EPA provides the Government with various powers including the power to formulate rules prescribing standards for emission of discharge of environment pollutants from various sources, as given under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, and examination of processes and materials likely to cause pollution.

EPA provides for the protection and improvement of the environment and for matters connected therewith, including without limitation, the rule making power to the central government so as to determine the standards of quality of air, water or soil for various areas and purposes, the maximum allowable units of concentration of various environmental pollutants, procedure for handling of hazardous substances, the prohibition and restrictions on the location of industries and the carrying on of processes and operations in different areas. Among other things, these rules regulate the environmental impact of construction and development activities, emission of air pollutants and discharge of chemicals into surrounding water bodies. Primary environmental oversight authority is given to the Ministry of Environment and Forests, Government of India ("**MoEF**"), the Central Pollution Control Board and the State Pollution Control Boards ("**SPCB**"). Penalties for violation of the EPA include fines of up to ₹100,000 or imprisonment of up to 5 years, or both. In addition, the MoEF reviews Environment Impact Assessments. The MoEF receives proposals for expansion, modernization and setting up of projects and the impact which, such projects would have on the environment is assessed by the ministry before granting clearances for the proposed projects.

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act was enacted to provide for the prevention and control of water pollution and the maintaining or restoring the wholesomeness of water. The Water Act mandates that the prior consent of the SPCB be taken before establishing any industry, operation or process, or any treatment and disposal system or any extension or addition thereto, which is likely to discharge waste or trade effluents into a stream or well or sewer or on land; before bringing into use any new or altered outlet for the discharge of sewage; before beginning to make any new discharge of sewage. Contraventions of any of the provisions of the Water Act or any order or direction issued is punishable with imprisonment for a term which may extend to three months or with a fine of ₹10,000, or with both, and in case of continuous offence an additional fine which may extend to ₹5,000 for every day during which such contravention continues after conviction for the first contravention.

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act was enacted for the prevention, control and abatement of air pollution and establishes Central and State pollution control boards for the aforesaid purposes. The State Government may declare any area as air pollution control area and the prior consent of the SPCB is required for establishing or operating any industrial plant in such an area. Further, no person operating any industrial plant, in any air pollution control area is permitted to discharge any air pollutant in excess of the standard laid down by the SPCB. The persons managing the relevant industry are to be penalized if they produce emissions of air pollutants in excess of the standards laid down by the SPCB. The CPCB or SPCB can also makes applications to the court for restraining persons causing air pollution. Contraventions of any of the provisions of the Air Act or any order or direction issued is punishable with imprisonment for a term not less than one year and six months but which may extend to six years with a fine, and

in case of continuing offence with an additional fine which may extend to ₹5,000 for every day during which such contravention continues after conviction for the first contravention.

Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016 ("HWM Rules")

The HWM Rules allocate the responsibility to the occupier and operator of the facility that treats hazardous wastes to collect, treat, store, or dispose the hazardous wastes without adverse effects on the environment. Moreover, the occupier and the operator must take steps to ensure that persons working on the site are given adequate training and equipment for performing their work. Hazardous wastes can be collected, treated, stored and disposed of only in such facilities as may be authorised for this purpose. The occupier is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and any fine that may be levied by the respective SPCB.

The Manufacturing, Storage & Import of Hazardous Chemicals Rules, 1989 ("MSIHC Rules")

The MSIHC Rules were framed under the EPA. These MSIHC Rules apply to sites in which certain hazardous chemicals are manufactured or stored., They stipulate that an occupier in control of an industrial activity has to provide evidence for having identified the major accident hazards and taking adequate steps to prevent such major accidents and to limit their consequences to persons and the environment. Further, the occupier has an obligation to show that he has provided necessary information, training and equipment including antidotes to the persons working on the site to ensure their safety. In addition, the occupier is under an obligation to notify the concerned authority on the occurrence of a major accident on the site or pipeline within 48 hours. Under the MSIHC Rules, the occupier is required to submit safety report as specified in Schedule 8 of the MSIHC Rules. Among other things, the occupier is required to prepare and keep updated on site emergency plan as per Section 13 of the MSIHC Rules, detailing how a major accident will be dealt with on the site on which industrial activity is carried on.

Noise Pollution (Regulation and Control) Rules, 2000 ("Noise Pollution Rules")

The Noise Pollution Rules regulate and control the noise producing and generating sources including from industrial activity and sets ambient air quality standards in respect of noise for different areas/ zones. The Noise Pollution Rules provide for penalties in accordance with the EPA for use of loudspeakers, public address system, among others, in a silence zone or area.

Labour Laws

Labour laws and regulations, including, Contract Labour (Regulation and Abolition) Act, 1970, Factories Act, 1948, Maternity Benefit Act, 1961, Workmen's Compensation Act, 1923, Payment of Gratuity Act, 1972, Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Employee's State Insurance Act, 1948, Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Wages Act, 1936, Equal Remuneration Act, 1976, Child Labour (Prohibition & Regulation) Act, 1986, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Industrial Disputes Act, 1947 are applicable to us.

The Factories Act defines a "factory" to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and, any premises where there are at least twenty workers even though there is no electrically aided manufacturing process being carried on. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished in accordance with the Factories Act for different offences in case of contravention of any provision thereof and in case of a continuing contravention after conviction, an additional fine for each day of contravention may be levied.

The Gujarat Factories Rules, 1963 seek to regulate labour employed in factories in the State of Gujarat and makes provisions for the safety, health and welfare of the workers. The Rules also mandate maintenance of certain statutory registers in the factory.

The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central

Government and different date may be appointed for different provisions of the Code on Social Security, 2020. Once effective, it will subsume, inter alia, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.

The Code on Wages, 2019 (enacted by the parliament of India and assented to by the President of India on August 8, 2019) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Wages, 2019. Once effective, it will subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936.

The Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central Government and different dates may be appointed for different provisions of the Occupational Safety, Health and Working Conditions Code, 2020. Once effective, it will subsume, inter alia, the Factories Act, and the Contract Labour (Regulation and Abolition) Act, 1970.

Industrial Relations Code, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Industrial Relations Code, 2020 and will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA") and the Foreign Trade Policy (2015 – 2020) ("FTP"), and Foreign Trade (Regulation) Rules, 1993 ("FT Rules")

The FTA seeks to develop and regulate foreign trade by facilitating imports into India and augmenting exports from India. The FTA read with the FTP (the operation of which has been extended to September 30, 2021) provides that no person or company can make exports or imports without having obtained an importer exporter code number ("**IEC Number**"), granted by the Director General of Foreign Trade, unless such person or company is specifically exempted from such requirement. An application for an IEC Number has to be made to the Office of the Director General of Foreign Trade, Ministry of Commerce. An IEC Number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC Number shall attract penalty under the FTA. Further, the FTP also provides for the Remission of Duties and Taxes on Exported Products, in terms of which, entities are rewarded for exports of certain goods with 'duty credit scrips', which may be used for the payment of customs duty.

The FT Rules have been framed under the FTA and regulates aspects of foreign trade such as grant of export license, special license, grounds for refusal of license, along with grounds for suspension and cancellation, which include COFEPOSA, 1974 violations, including by the director(s) of the company, fraud, misrepresentation, breach of license conditions, and contravention of foreign exchange laws, among others. Further the FT Rules also govern the grant of IMEX Code, and declarations related to value, quantity and utilisation of imported products. The FT Rules also confer upon the Central Government the power to enter premises and conduct search, seizure and confiscation.

Regulation of Foreign Investment

Foreign investment in India is governed by the provisions of FEMA Non-Debt Instruments Rules along with the FDI Circular issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India.

Under the automatic route, the foreign investor or the Indian company does not require any approval of the RBI or Government for investments. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. The Department for Promotion of Industry and Internal Trade ("DPIIT"), Ministry of Commerce and Industry on October 28, 2020 issued FDI Circular. Subject to the provisions of the FDI Circular, 100% FDI is allowed under the automatic route for manufacturing of medical devices.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was initially constituted on October 25, 1999, as a partnership firm under the name 'M/s Sahajanand Vascular Technoventions' between two partners namely, Sharadaben Dhirajlal Kotadia and Rajesh Laljibhai Vaishnav. The partnership firm was re-constituted pursuant to a partnership deed dated September 30, 2001 between Sharadaben Dhirajlal Kotadia, Rajesh Laljibhai Vaishnav, Dhirajlal Vallabhai Kotadia, Dhirajkumar Savjibhai Vasoya, Vinod Savjibhai Vasoya, Jitendra V. Kotadia and Naynaben Dhirajkumar Vasoya (collectively, the "**Partners**") and was renamed 'M/s Sahajanand Medical Technologies'.

Subsequently, the partnership firm was converted into a joint stock company and was registered as a private limited company in the name of 'Sahajanand Medical Technologies Private Limited' pursuant to a certificate of incorporation dated October 18, 2001 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli, in accordance with provisions of the Companies Act, 1956. Further the name of our Company was changed to 'Sahajanand Medical Technologies Limited' upon conversion to a public limited company pursuant to the special resolution dated April 27, 2021 passed by the Shareholders of our Company and a fresh certificate of incorporation was issued by the RoC on May 7, 2021.

Changes in the registered office

Except as disclosed below, there has been no change in the registered office of our Company since the date of its incorporation.

Date of change	Details of change in the address of the Registered Office	Reason for change in the address
April 29, 2011	The registered office of our Company was shifted from 304 Sahajanand House Parsistreet, Saiyedpura, Surat, Gujarat – 395 003 to Sahajanand Estate, Wakharia Wadi, NR. Dabholi Char Rasta, Nani Ved, Ved Road, Surat, Gujarat – 395 004.	Operational convenience

Our main objects

The main objects of our Company as contained in our MoA are:

"To carry on business of manufacturers marketing, importers, exporters, sellers, buyers, agents, stockiest, suppliers of all kinds of vascular interventional products like stents, PTCA catheters and accessories, grafts, prosthesis, drugs, lasers, altherectomy equipment and other related devices and instruments."

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to our MoA

Set out below are the amendments to our MoA in the last ten years:

Date of Shareholders' resolution	Nature of amendment
September 30, 2016	Adopted new MoA in consonance with the provisions of the Companies Act, 2013 and rules made thereunder.
April 27, 2021	Clause I of the MoA was amended to reflect the change in the name of our Company from 'Sahajanand Medical Technologies Private Limited' to 'Sahajanand Medical Technologies Limited' pursuant to the conversion of our Company from a private company to a public company.
September 18, 2021	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹ 100,000,000 divided into 100,000,000 Equity Shares of face value ₹ 1 each to ₹ 150,000,000 divided into 150,000,000 Equity Shares of face value ₹ 1 each.

Key awards, accreditations, and recognition

The table below sets forth some of the awards and accreditations received by our Company:

Calendar Year	Key Awards and Accreditations
2006	'I.M.C. Ramakrishna Bajaj National Quality Award' by Indian Merchant Chamber of Commerce and Industry
2008	Awarded 'Golden Jubilee Memorial Trust Award', export award for small scale industry in chemical and pharmaceuticals by the Southern Gujarat Chamber of Commerce & Industry
2011	Awarded 'Indian Medical Devices Company of the year' by Frost and Sullivan
2015	'Award for the Best R&D in Medical Devices' by World CSR and World Sustainability
2016	'National Award for Technology Innovation in Petrochemicals and Downstream Plastics Processing Industry' by Ministry of Chemicals and Fertilizers, Government of India
2016	Awarded 'Best Healthcare Brand' by Economic Times
2018	Awarded 'Asia's Most Admired Brand' by White Page International
2019	Awarded 'India's Most Admired Brand' by White Page International
2019	Awarded 'Make in India Enablement' by Informamarkets
2020	Awarded 'SBI General Insurance SME Award' in the pharmaceuticals, drugs and medical products category by Times Network

Major events and milestones

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Details
2001	Received EC Certificate of Assessment for coronary stents
2002	CE mark on millenium matrix stent system
2005	Launch of supralimus core cobalt chromium sirolimus eluting coronary stent system with 60 micron strut thickness
2013	EC Certificate for full quality assurance system granted for drug eluting stent system
2016	Incorporation of SMT Ireland, a wholly owned Subsidiary and R&D facility in Ireland
2016	Samara Capital Markets Holding Limited invested around ₹ 800 million by subscribing to 9,406,419 Equity Shares of our Company and purchasing 9,406,419 Equity Shares of our Company from existing shareholders
2017	Samara Capital Markets Holding Limited invested ₹ 700 million by subscribing to 13,717,421 Equity Shares of our Company
2017	Talent trial enrolment completion
2018	NHPEA Sparkle Holding B.V. invested ₹ 1,600 million by subscribing to 16,396,803 Equity Shares of our Company
2018-19	Talent trial study presented by Professor Patrick Serruys and published in The Lancet
2019	Received EC Certificate for full quality assurance system granted for sirolimus eluting stent system
2019	Incorporation of SMT Germany, a wholly owned subsidiary of SMT Ireland, which is a wholly owned Subsidiary of our Company
2019	Acquired Imex Salud S.L. to establish direct operations in Spain, for a sum of € 2.55 million
2019	Incorporation of SMT Polonia, a wholly owned subsidiary of SMT Ireland, which is a wholly owned Subsidiary of our Company
2019	Incorporation of SMT Switzerland, a wholly owned subsidiary of SMT Ireland, which is a wholly owned Subsidiary of our Company
2019	Incorporation of SMT CIS
2019	Acquired 75% of the corporate capital of Zarek Distribuidora de Productos Hospitalares Eireli to establish direct operations in Brazil, for a sum of R$ 18.75 million
2020	Incorporation of SMT France, a wholly owned subsidiary of SMT Ireland, which is a wholly owned Subsidiary of our Company
2020	Acquired Vascular India for a sum of ₹ 687.29 million
2020	Acquired Vascular Innovations for a sum of ฿ 443 million

Time/cost overrun

Our Company has not experienced any time or cost overruns pertaining to setting up of its manufacturing units since its incorporation.

Defaults or rescheduling/restructuring of borrowings

Except as stated below, there have been no instances of defaults or rescheduling/ restructuring in relation to borrowings availed by us from any financial institutions or banks.

- In respect of the credit facility of Eur 30 million ("**Investec Facility**") obtained by SMT Ireland originally from Investec Bank Plc pursuant to a facility agreement dated April 15, 2020 (with Siemens Bank GMBH subsequently being added a lender to the facility), our Company, Investec Bank Plc and Siemens Bank GMBH have signed a term-sheet dated September 20, 2021 ("**Investec-Siemens Term Sheet**") amending certain terms of the original facility documents. Under the Investec-Siemens Term Sheet, the original repayment schedule for the Investec Facility has been revised from five years to four years (commencing April 15, 2021 and concluding on April 15, 2024).

- SMT Cardiovascular had availed a term loan from Standard Chartered Bank in March 2020. Subsequently, certain covenants in respect of this loan were modified pursuant to a supplemental facility letter dated August 5, 2021.

For further details, of instances of non-compliances or rescheduling/restructuring by our Subsidiaries of covenants under its loan agreements in the past see "*Financial Indebtedness*" and "*Risk Factors – We are required to comply with certain restrictive covenants under our financing agreements, non-compliance with which may lead to, among others, suspension of further drawdowns. We have, in the past, breached certain financial covenants and there is no assurance that we will not breach these or any other covenants in future*." on pages 311 and 31.

Launch of key products or services, entry in new geographies or exit from existing market, capacity/facility creation or location of plants

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the location of our plants see "*Our Business*" beginning on page 156.

Accumulated Profits or Losses

There are no accumulated profits or losses of any Subsidiaries that are not accounted for by our Company in the Restated Consolidated Financial Information.

Significant strategic or financial partnerships

Our Company does not have any significant strategic or financial partners.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years

Except as disclosed below, our Company has not undertaken any material acquisitions or divestments of any business or undertaking, and has not undertaken any material merger, amalgamation or any revaluation of assets, in the last ten years.

Joint Merger Project between SMT Iberia and Imex Salud, S.L. ("Imex") dated October 14, 2019

Pursuant to the joint merger project dated October 14, 2019, Imex ("**Absorbing Company**") absorbed SMT Iberia ("**Absorbed Company**"), to form SMT Iberia. The rationale for the merger was to (i) reduce the costs, expenses and administrative complexity, (ii) eliminate the existence of inefficiencies derived from the multiplicity of structures, along with existence of accounting and registry duplication, (iii) streamline administrative and management services under the same directorate, (iv) reduce commercial and fiscal obligations, such as keeping accounts, filing annual returns and taxes etc., and (v) unify and simplify the company structure to attain operational efficiency.

Since both the Absorbing Company as well as the Absorbed Company, were fully owned by the same shareholders (directly or indirectly) in the same proportion, there was no requirement to increase/issue any share capital. The assets of Absorbed Company along with all its rights, obligations and legal relations were transferred in block to the Absorbing Company, and the newly formed entity post the merger process was renamed SMT Iberia.

Share purchase agreement dated March 2, 2020 entered into amongst Kasiraman Jayaraman, Suthama Gimsong, Mauritius Vascular Innovations Limited and Swaminathan Jayaraman (such individuals and entity collectively referred to as the "Sellers") and SMT Ireland

Pursuant to the share purchase agreement dated March 2, 2020, SMT Ireland purchased 10,000 equity shares aggregating to 100% of the issued and paid-up equity share capital of Vascular Innovations, on a fully diluted basis, from the Sellers for an amount aggregating ฿ 443 million (₹ 1,064.08 million).

Share purchase agreement dated March 2, 2020 entered into amongst Vascular India, Vascular Concepts Holdings Limited, Vascular Concepts Limited (United Kingdom), Subramanian Peruvamba Siva, Deepak Wadhwa, Nand Kishore Zaveri, Piyush Dwivedi, Alok Arora (such individuals and entities collectively referred to as the "Sellers"), Swaminathan Jayaraman, Robert Arthur Cannell (as liquidator of Vascular Concepts Holdings Limited) and Company

Pursuant to the share purchase agreement dated March 2, 2020 our Company purchased 157,854 equity shares aggregating to 100% of the issued and paid-up equity share capital of Vascular India, on a fully diluted basis, from Sellers and acquired Vascular India for a total consideration of ₹ 687.29 million.

Agreement for sale of company shares dated March 29, 2019 ("Agreement for Sale") entered into amongst 3V Corp S.L, Explolaser S.L.U. and Sergio Almela Camanas (such entities and individual collectively referred to as the "Sellers") and SMT Iberia

Pursuant to the agreement for sale of company shares dated March 29, 2019, SMT Iberia purchased 3,006 equity shares, being 100% of the issued and paid up share capital of Imex Salud, S.L. from the Sellers for an amount aggregating to € 2.55 million (₹ 200.24 million)**.**

Quota purchase agreement dated August 22, 2019 entered into amongst SMT Ireland, Diego Antonio Balczarek Mucelin ("Diego") and Zarek Distribuidora De Produtos Hospitalares Eireli ("Zarek")

Pursuant to a quota purchase agreement dated August 22, 2019, SMT Ireland purchased 11,325,000 shares, being 75% of the corporate capital of Zarek from Diego for an amount aggregating to R$ 18.75 million**.** As per the terms of the agreement, SMT Ireland has a call option which vests on January 1, 2023 and may be exercised up to December 31, 2024 ("**Term Period**") all at once or in more than one event, to acquire all the remaining shares from Diego, who upon exercise of such option shall be obligated to sell such shares to SMT Ireland as per the pricing formula laid down in the agreement.

In case Diego (i) withdraws, (ii) is unable to perform his duties, or (iii) is dismissed, from the post of general manager responsible for executive management and operations of Zarek, then SMT Ireland will have the right to exercise the call option immediately irrespective of whether or not such event occurs in the Term Period, at a pricing formula different from that applicable to the ordinary call option. Further until the end of the Term Period, Diego cannot transfer his shares to any third party, except in accordance with the terms of the agreement.

Quotaholders agreement dated September 24, 2019 entered into amongst SMT Ireland, Diego Antonio Balczarek Mucelin ("Diego") and Zarek Distribuidora De Produtos Hospitalares Eireli ("Zarek")

SMT Ireland entered into a quotaholders agreement with Diego and Zarek pursuant to the quota purchase agreement dated August 22, 2019 to define their mutual rights and obligations and set out terms and conditions governing their relationship as shareholders of Zarek. While Diego has undertaken not to sell his shares in Zarek till December 31, 2024, any sale, assignment or transfer of shares held by Diego after such date shall be subject to offering such shares to SMT Ireland under the right to first refusal, as per the same terms and conditions to any third party.

SMT Ireland shall also have drag along rights, pursuant to which if it decide to sell all its shares to any third party, it can also require Diego to sell his entire shareholding to the same third party, as to cause disposal of 100% of Zarek's capital. Further Diego shall have tag along rights, pursuant to which if SMT Ireland sells all its shares to any third party, Diego can require that all his shares be purchased by the same third party on the same price and terms as well.

Holding company or joint venture

As on the date of this Draft Red Herring Prospectus, our Company does not have any holding company or joint venture.

Our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has 12 Subsidiaries.

1. SMT Cardiovascular Private Limited ("SMT Cardiovascular")

Corporate information

SMT Cardiovascular was originally incorporated on November 16, 2019 under the Companies Act 2013. Its registered office is situated at Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Nani Ved, Ved Road, Surat, Gujarat- 395004.

SMT Cardiovascular is currently engaged in the business of manufacturing, marketing, exporting, importing, selling, buying, agents, stockiest, suppliers of all kinds of Vascular Interventional products like stents, PTCA Catheters and accessories, grafts, prosthesis, drugs, altherectomy equipment and other related devices and instruments.

Capital structure and shareholding pattern

The authorised share capital of SMT Cardiovascular is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of SMTCPL is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

The shareholding pattern of SMT Cardiovacular is as follows:

S. No.	Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Bhargav Dhirajlal Kotadia*	1	0.01
Total		**10,000**	**100**

**As a nominee shareholder on behalf of our Company*

2. Sahajanand Medical Technologies Ireland Limited ("SMT Ireland")

Corporate information

SMT Ireland was originally incorporated as a simplified joint-stock company on May 16, 2016 under the Companies Act, 2014. Its company number is 582496. Its registered office is situated at Ground floor, Block 5, Galway Technology Park, Parkmore, Galway, H91, R9YR, Ireland.

SMT Ireland is currently engaged in the business sale of medical implants.

Capital structure and shareholding pattern

The authorised share capital of SMT Ireland is € 100,000 divided into 100,000 ordinary shares of € 1 each. The issued, subscribed and paid-up capital of SMT Ireland is € 100,000 divided into 100,000 ordinary shares of € 1 each.

The shareholding pattern of SMT Ireland is as follows:

S. No.	Name of shareholder	Number of equity shares of € 1 each	Percentage of issued capital
1.	Our Company	100,000	100
Total		**100,000**	**100**

3. SMT Germany Gmbh ("SMT Germany")

Corporate information

SMT Germany was incorporated as a private company on April 3, 2019 under the Companies with Limited Liability (Gesetz die Gesellschaften mit beschränkter Haftung - GmbHG), with the Amtsgericht Friedberg. Its corporate identification number is HRB Number: 8995. Its registered office is situated at Weiseler Strasse 16, 35510, Butzbach, Germany.

SMT Germany is currently engaged in the business of medical devices.

Capital structure and shareholding pattern

The authorised share capital of SMT Germany is € 25,000 divided into 25,000 shares of € 1 each. The issued, subscribed and paid-up capital of SMTG is € 25,000 divided into 25,000 shares of € 1 each.

The shareholding pattern of SMT Germany is as follows:

S. No.	Name of shareholder	Number of equity shares of € 1 each	Percentage of issued capital
1.	SMT Ireland	25,000	100
Total		25,000	**100**

4. SMT Switzerland AG ("SMT Switzerland")

Corporate information

SMT Switzerland was incorporated as a public company on September 3, 2019 under the Swiss Company Act with the Registrar of Companies, Handelsregisteramt des Kantons Zug. Its corporate identification number is CHE-361.141.849. Its registered office is situated at Bundesstrasse 9, 6302 Zug.

SMT Switzerland is currently engaged in the business of distribution of medical devices.

Capital structure and shareholding pattern

The authorised share capital of SMT Switzerland is CHf 100,000 divided into 100 equity shares of CHf 1,000 each. The issued, subscribed and paid-up capital of SMT Switzerland is CHf 100,000 divided into 100 equity shares of CHf 1,000 each.

The shareholding pattern of SMT Switzerland is as follows:

S. No.	Name of shareholder	Number of equity shares of CHf 1,000 each	Percentage of issued capital
1.	SMT Ireland	100	100
Total		100	**100**

5. SMT Polonia sp. z o.o. ("SMT Polonia")

Corporate information

SMT Polonia was originally incorporated as a simplified joint-stock company on August 5, 2019 under Poland law with the Registrar of Companies of Poland. Its corporate identification number is 1132998303. Its registered office is situated at Al. Grunwaldzka no. 411, 80-309, Gdansk, Aurum, 5 peitro, Poland.

SMT Polonia is currently engaged in the business of sale of medical implants.

Capital structure and shareholding pattern

The authorised share capital of SMT Polonia is PLN 5,000 divided into 100 ordinary shares of PLN 50 each. The issued, subscribed and paid-up capital of SMT Polonia is PLN 5,000 divided into 100 ordinary shares of PLN 50 each.

The shareholding pattern of SMT Polonia is as follows:

S. No.	Name of shareholder	Number of equity shares of PLN 50 each	Percentage of issued capital
1.	SMT Ireland	100	100
Total		100	**100**

6. SMT CIS LLC ("SMT CIS")

Corporate information

SMT CIS was incorporated as a private company under the Limited Liability Company Foundation Agreement with the Registrar of Companies, Federal Tax Authority and received its certificate for commencement of business on September 20, 2019. Its corporate identification number is 1197746567809. Its registered office is situated at Building 1, Krasnobogatyrskaya str. 89, 5 floor, rooms N 109, 110, Moscow 107076, Russia.

SMT CIS is currently engaged in the business of marketing of medical devices.

Capital structure and shareholding pattern

The authorised, issued, subscribed and paid-up share capital of SMT CIS is 10,000 roubles.

The shareholding pattern of SMT CIS is as follows:

S. No.	Name of shareholder	Charter capital of company	Percentage of issued capital
1.	SMT Ireland	9,900 roubles of the charter capital	99
2.	Bhargav Dhirajlal Kotadia	100 roubles of the charter capital	1
Total		10,000	**100**

7. Sahajanand Medical Technologies Iberia SL ("SMT Iberia")

Corporate information

SMT Iberia was originally incorporated under the name of "Soluciones Medicas Por Laser S.L." under Spanish commercial law on May 6, 2005, before the Notary Public of Valencia. Its corporate identification number is B97592000. Its registered office is situated at Calle Leonardo Da Vinci, 22 Parque Tecnológico, 46980, Paterna (Valencia), Spain.

SMT Iberia is currently engaged in the business of (i) marketing, use and leasing of all kinds of medical equipment, medical implants and devices, including surgical equipment; (ii) provision of health, medical and surgical services, through doctors with the appropriate qualifications; (iii) marketing, installation, operation and leasing of all types of equipment and facilities for clinical, medical, hospital and geriatric use, including those intended for administrative use; and (iv) purchase, sale and lease, except for the financial sale of real estate, as well as development and construction of all kinds of buildings.

Capital structure and shareholding pattern

The authorised share capital of SMT Iberia is € 3,378 divided into 3,378 capital shares of € 1 each. The issued, subscribed and paid-up capital of SMT Iberia is € 3,378 divided into 3,378 capital shares of € 1 each.

The shareholding pattern of SMT Iberia is as follows:

S. No.	Name of shareholder	Number of capital shares of € 1 each	Percentage of issued capital
1.	SMT Ireland	3,006	89
2.	Louseval Medical, S.Lu	372	11
Total		3,378	**100**

8. SMT Importadora e Distribuidora de Produtos Hospitalares Ltda ("SMT Brazil")

Corporate information

SMT Brazil was incorporated as a simplified joint stock company under Brazil Law (Commercial Registry of the State of Rio Grande do Sul) on May 22, 2007. Its corporate identification number is CNPJ 08.862.233/0001-05 (Federal Revenue) and NIRE 4320855869-7 (Board of Trade). Its registered office is situated at City of Porto Alegre, State of Rio Grande do Sul, Brazil, at Av. Nonoai, No. 360, Nonoai, CEP 91.720-000.

SMT Brazil is currently engaged in the business of sale of (i) wholesale trade and commercial representation of instruments and materials for medical, surgical, hospital, dental and laboratory use; (ii) wholesale trade and commercial representation of prostheses and orthopedic articles; (iii) wholesale trade of cosmetics and perfumery; and (iv) wholesale trade of household hygiene, cleaning and conservation products.

Capital structure and shareholding pattern

The authorised share capital of SMT Brazil is R$ 15,100,000 divided into 15,100,000 shares of R$ 1 each. The issued, subscribed and paid-up capital of SMT Brazil is R$ 15,100,000 divided into 15,100,000 shares of R$ 1 each.

The shareholding pattern of SMT Brazil is as follows:

S. No.	Name of shareholder	Number of equity shares of R$ 1 each	Percentage of issued capital
1.	SMT Ireland	11,325,000	75
2.	Diego Antonio Balczarek Mucelin	3,775,000	25
Total		**15,100,000**	**100**

9. SMT France SAS ("SMT France")

Corporate information

SMT France was incorporated as a simplified joint stock company on April 10, 2020, with the Registrar of Companies of Marseille, France (Registre du Commerce et des Sociétés / Greffe du Tribunal de Commerce de Marseille). Its corporate identification number is 882 873 425. Its registered office is situated at Centre d'Affaires Alta Rocca –1120, Route De Gemenos, Bat A, 13400 Aubagne, France.

SMT France is currently engaged in the business of sale of medical implants.

Capital structure and shareholding pattern

The authorised share capital of SMT France is € 30,000 divided into 30,000 ordinary shares of € 1 each. The issued, subscribed and paid-up capital of SMT France is € 30,000 divided into 30,000 ordinary shares of € 1 each.

The shareholding pattern of SMT France is as follows:

S. No.	Name of shareholder	Number of equity shares of € 1 each	Percentage of issued capital
1.	SMT Ireland	30,000	100
Total		30,000	**100**

10. Vascular Concepts Limited ("Vascular India")

Corporate information

Vascular India was originally incorporated as 'Vascular Concept Private Limited' on May 25, 1992, under the Companies Act, 1956. Subsequently, the name of the company was changed to 'Vascular Concept Limited', and a fresh certificate of incorporation was issued on September 15, 2006 under the Companies Act, 1956. Its corporate identification number is U33119DL1992PLC141596. Its registered office is situated at T-5139, A-1, 1st floor, Pusa Road, Near Metro Pillar No. 73, Karol Bagh, New Delhi, Central Delhi, DL 110005.

Vascular India is currently engaged in the business of manufacturing, producing, processing, exporting, importing, distributing, trading, dealing, repackaging, buying, selling of all kinds and varieties of vascular protheses, surgical equipment and furniture, medical equipment, diagnostic equipment and instruments, medical kits, disposable and non-disposable syringes and disposable and non-disposable needles.

Capital structure and shareholding pattern

The authorised share capital of Vascular India is ₹ 20,000,000 divided into 200,000 equity shares of ₹ 100 each. The issued, subscribed and paid-up capital of Vascular India is ₹ 15,785,400 divided into 157,854 equity shares of ₹ 100 each.

The shareholding pattern of Vascular India is as follows:

S. No.	Name of shareholder	Number of equity shares of ₹ 100 each	Percentage of issued capital
1.	Our Company	157,838	99.99
2.	N K Zaveri	10	Negligible*
3.	Bhargav Dhirajlal Kotadia	2	Negligible*
4.	Dhirajlal Vallabhai Kotadia	1	Negligible*
5.	Dudhat Kishor Dhirajlal	1	Negligible*
6.	Ganesh Prasad Sabat	1	Negligible*
7.	Sharada Dhirajlal Kotadia	1	Negligible*
Total		**157,854**	**100**

** Less than 0.01%*

11. Vascular Innovations Co. Ltd. ("Vascular Innovations")

Corporate information

Vascular Innovations was originally incorporated as 'as a simplified joint-stock company on May 28, 2004 with the Registrar of Thailand. Its corporate identification number is 0135547004862. Its registered office is situated at No. 88/38 Moo 1, 345 Road, Bangtanai Sub-District, Pakkret District, Nonthaburi Province, Thailand.

Vascular Innovations is currently engaged in the business of sale of medical implants.

Capital structure and shareholding pattern

The authorised share capital of Vascular Innovations is ฿ 4,900,000 divided into 10,000 ordinary shares of ฿ 490 each. The issued, subscribed and paid-up capital of Vascular Innovations is ฿ 4,900,000 divided into 10,000 ordinary shares of ฿ 490 each.

The shareholding pattern of Vascular Innovations is as follows:

S. No.	Name of shareholder	Number of ordinary shares of ฿ 490 each	Percentage of issued capital
1.	SMT Ireland	9,998	99.98
2.	Nuchanart Phureethip	1	0.01
3.	Dhirajlal Vallabhai Kotadia	1	0.01
Total		10,000	**100**

12. SMT USA Ltd. ("SMT USA")

Corporate information

SMT USA was incorporated as a limited company on July 21, 2020 with the Registrar of Companies, Veronica Gonzales. Its corporate identification number is 3248867. Its registered office is situated at 1013 Centre Road Suite 403S Wilmington, DE 19805 County of New Castle.

SMT USA is currently engaged in the business of any lawful act or activity for which corporation may be organized under the General Corporation Law of Delaware

Capital structure and shareholding pattern

The authorised share capital of SMT USA is $100 divided into 100,000 shares of $ 0.001 each. The issued, subscribed and paid-up capital of SMT USA is $100 divided into 100,000 shares of $ 0.001 each.

The shareholding pattern of SMT USA is as follows:

S. No.	Name of shareholder	Number of equity shares of $ 0.001 each	Percentage of issued capital
1.	SMT Ireland	100,000	100
Total		100,000	**100**

Common Pursuits

Our Subsidiaries are all in the same line of business as that of our Company and accordingly, there are certain common pursuits between them. Our Company will adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situations as and when they arise.

Other Confirmations

Except as disclosed in "*Our Business*" and "*Financial Information – Restated Consolidated Financial Information*" on page 156 and 219, none of our Subsidiaries have any business interest in our Company.

Material Subsisting Agreements

Except for the agreements disclosed below, our Company has not entered into any other subsisting material agreement including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company or which are otherwise material and need to be disclosed in this Draft Red Herring Prospectus in context of the Offer. Additionally, there are no other clauses or covenants in these material agreements which are adverse or pre-judicial to the interest of the public shareholders, except as disclosed below.

Shareholders' Agreement

Key terms of subsisting shareholders' agreements

Shareholders' agreement dated December 19, 2017 read with the deed of adherence dated February 23, 2021 entered into amongst NHPEA Sparkle Holding B.V. ("NHPEA"), Samara Capital Markets Holding Limited ("Samara", and collectively with NHPEA are referred to as "Investors"), Sharada Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Bhargav Dhirajlal Kotadia, Dhirajkumar S. Vasoya, Naynaben D. Vasoya (such individuals collectively referred to as "Kotadia Promoter Group"), Shree Hari Trust and our Company ("SHA"), as amended by the Amendment Agreement to the SHA dated September 16, 2021 ("SHA Amendment Agreement"); Share Subscription and Share Purchase Agreement dated October 26, 2016 entered into amongst Samara, Kotadia Promoter Group and our Company and Share Subscription Agreement dated December 19, 2017 entered into amongst Samara, Kotadia Promoter Group and our Company ("SSA"); Share Subscription Agreement dated December 19, 2017 entered into amongst NHPEA, Kotadia Promoter Group and our Company ("SA")

The Company, Kotadia Promoter Group, Shree Hari Trust and the Investors have entered into the SHA to govern their *inter-se* rights and obligations in our Company. In accordance with the terms of the SHA, the Investors have certain rights, including (i) the right to access and inspect books of accounts and other business records of our Company; (ii) a right of first offer in relation to direct or indirect transfers proposed to be effected by the Kotadia Promoter Group or their affiliates; (iii) a tag along right in relation to transfer of Equity Shares held by the Kotadia Promoter Group or their affiliates; and (iv) affirmative voting rights in respect of certain matters including any changes in the structure (other than as specifically permitted under the SHA) or composition of the Board, change in the capital structure and amendments to the articles of association and memorandum of association of our Company. Further, if any of the Investors transfer Equity Shares to any person other than its affiliates, then the non-selling shareholders have a right of first offer in relation to such Equity Shares. In addition, if more than 50% of the Equity Shares of the Company on a fully diluted basis are transferred by either or both of the Investors to a single third party, then the Kotadia Promoter Group can exercise a tag along right to sell up to 100% of their securities to such third party.

In connection with the Offer, the parties to the SHA have entered into the SHA Amendment Agreement, which stipulates that upon the date of allotment and/or transfer of Equity Shares of the Company pursuant to the Offer,

the SHA shall stand automatically terminated. Pursuant to the Amendment Agreement, our Company has also, through a resolution of our Board dated September 16, 2021, adopted certain operational covenants on sanctionable practices and ethical business practices ("**Business Ethics Policy**"). Further, our Company, has also, through a resolution of our Board dated September 16, 2021, adopted an information sharing policy ("**Information Sharing Policy**") pursuant to which our Company will share information, subject at all times to applicable laws, including without limitation, the SEBI Insider Trading Regulations, with the Investors on their requests to comply with regulatory requirements under the applicable laws of the jurisdiction in which they operate. The Business Ethics Policy and the Information Sharing Policy will subsist post listing of the Equity Shares pursuant to the Offer.

The SHA Amendment Agreement will stand automatically terminated, and the SHA (as existing prior to the execution of the Amendment Agreement) shall immediately and automatically be reinstated in the event that allotment and/or transfer of Equity Shares pursuant to the Offer does not occur by March 31, 2022.

In terms of the Amendment Agreement and Part A of the Articles of Association, till such time that both NHPEA Sparkle Holding B.V. and Samara Capital Markets Holding Limited, severally and not jointly, hold 10% or more of the issued and paid-up equity share capital of our Company, they will be entitled to nominate, severally and not jointly, one Director each on our Board. Further, subject to these rights of NHPEA Sparkle Holding B.V. and Samara Capital Markets Holding Limited, our Promoters are entitled to nominate all the non-independent Directors on our Board. One of the non-independent directors appointed by the Promoter shall be the Chairperson of every Board meeting and shall, after the date of allotment and/or transfer of Equity Shares of the Company pursuant to the Offer, have a casting vote in accordance with applicable law. The nomination rights of the Investors and our Promoters will be subject to approval of the Shareholders through a special resolution in the first general meeting convened after the listing of Equity Shares pursuant to the Offer. The Kotadia Promoter Group has, in the SHA Amendment Agreement, agreed to vote in favour of this resolution.

Agreements with Key Managerial Personnel, Director, Promoters or any other employee

Through a letter dated September 27, 2021 ("**Exit Incentive Letter**"), the Selling Shareholders have agreed to pay an aggregate cash incentive of ₹ 38 million ("**Aggregate Exit Incentive**") to certain identified employees of our Company (including certain KMPs) ("**Eligible Incentive Employees**") upon listing of the Equity Shares pursuant to the Offer. The Aggregate Exit Incentive shall be paid by the Selling Shareholders in proportion to the total number of Equity Shares actually sold by each Selling Shareholder in the Offer for Sale. In compliance with Regulation 26(6) of the SEBI Listing Regulations, the Aggregate Exit Incentive will be paid only after approval and by the Board and shareholders of the Company through an ordinary resolution post listing of the Equity Shares pursuant to the Offer.

Except as stated above, there are no agreements entered into by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Guarantees given by our Promoter Selling Shareholder

Our Promoter Selling Shareholder has not given any guarantees to any third parties as on date of this Draft Red Herring Prospectus.

OUR MANAGEMENT

In terms of the Articles of Association, our Company is required to have not more than nine Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of eight Directors. For details on the strength of our Board, as permitted and required under the Articles of Association, see "*Main Provisions of Articles of Association*" on page 358.

Our Board

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

Name, Designation, Date of Birth, Address, Occupation, Nationality, Period of Directorship, Term and DIN	Age (years)	Other directorships
Dhirajlal Vallabhbhai Kotadia *Designation:* Chairman *Date of Birth*: January 1, 1958 *Address:* Plot no. 43-48, Narayanmuni Nagar Society, Near Shri Swami Narayan Gurukul, Ved Road, Surat 395004 *Occupation*: Business *Nationality:* American *Term*: Liable to retire by rotation *Period of directorship*: Director since October 18, 2001. *DIN:* 00013035	63	***Indian Companies*** • Sahajanand Technologies Private Limited • Sahajanand Life Sciences Private Limited • Suayu Health Resorts Private Limited ***Foreign companies*** • SMT USA Ltd
Bhargav Dhirajlal Kotadia *Designation:* Managing Director *Date of Birth*: September 27, 1990 *Address:* Plot no. 43-48, Narayanmuni Nagar Society, Nani Ved, Ved Road, Surat 395004 *Occupation*: Business *Nationality:* American *Term*: Five years with effect from December 01, 2017. *Period of directorship*: Director since May 6, 2013. *DIN:* 06575042	31	***Indian Companies*** • Sahajanand Technologies Private Limited • Sahajanand Life Sciences Private Limited • SMT Cardiovascular Private Limited • Vascular Concepts Limited ***Foreign companies*** • Sahajanand Medical Technologies Ireland Limited • Sahajanand Medical Technologies Iberia S.L • SMT Germany Gmbh • SMT Polonia • SMT CIS • SMT Importadora E Distribuidora De Produtos Hospitales Ltda • SMT France SAS • SMT USA Ltd • Sahajanand Medical Technologies (SMT) UK
Abhishek Rajendrakumar Kabra *Designation:* Non-Executive Investor Director (Nominee of Samara Capital Markets Holding Limited)	40	***Indian Companies*** • Esme Consumer Private Limited • GC Cosmetics Private Limited

Name, Designation, Date of Birth, Address, Occupation, Nationality, Period of Directorship, Term and DIN	Age (years)	Other directorships
Date of Birth: December 19, 1980 *Address:* 205, Grandeur Tower, Vasant Marvel Complex, Off W.E.H, Borivali East, Mumbai 400066 *Occupation*: Business *Nationality:* Indian *Term*: Not liable to retire by rotation *Period of directorship*: Director since December 28, 2016 *DIN:* 06782685		• Blue Heaven Cosmetics Private Limited • Lotus Surgicals Private Limited • Oilmax Energy Private Limited • Sahrudaya Health Care Private Limited • Medicover Healthcare Private Limited ***Foreign companies*** Nil
Jose Calle Gordo *Designation:* Non-Executive Director *Date of Birth*: August 26, 1961 *Address:* Queen Anne House, 11 Eaton Park, Cobham, Surrey KT112JF *Occupation*: Business *Nationality:* Spain *Term*: Three years with effect from June 1, 2021 *Period of directorship*: Director since September 20, 2019 *DIN:* 08568779	60	***Indian Companies*** Nil ***Foreign companies*** • High Life Medical – France • JenaValve – US • FEOP's – Belgium • Lung Pacer – US • Laminate Medical - Israel
Lalit Chandra Reddy *Designation:* Independent Director (Non-Executive) *Date of Birth*: July 17, 1982 *Address*: 17/9-A Cambridge Road, 2nd Cross, Halasuru, Bangalore 560008 *Occupation*: Service *Nationality:* American *Term:* Three years with effect from July 8, 2021 *Period of directorship*: Director since July 8, 2021 *DIN:* 08101508	39	***Indian Companies*** • Freight Commerce Solutions Private Limited • Harvard Business School Club of India ***Foreign companies*** Nil
Ranjal Laxmana Shenoy *Designation:* Independent Director (Non-Executive) *Date of Birth*: January 16, 1948 *Address*: A/2, Kamdar Park Housing Society Limited, Off Gokhale Road, Near Agar Bazar, Dadar West, Mumbai - 400028	73	***Indian Companies*** • Elantas Beck India Limited • Alkem Laboratories Limited • Sunshield Chemicals Limited • Enzene Biosciences Limited ***Foreign companies***

Name, Designation, Date of Birth, Address, Occupation, Nationality, Period of Directorship, Term and DIN	Age (years)	Other directorships
Occupation: Corporate Director *Nationality:* Indian *Term*: Three years with effect from June 1, 2021 *Period of directorship*: Director since June 1, 2021 *DIN:* 00074761		• Ascend Laboratories LLC USA
Shukla Wassan *Designation:* Independent Director (Non-Executive) *Date of Birth*: December 18, 1959 *Address*: D 214, The Belaire, DLF City, Phase-V, Gurgaon – 122 011 *Occupation*: Independent Director, ADR Professional and Legal Consultant *Nationality:* Indian *Term*: Three years with effect from June 1, 2021 *Period of directorship*: Director since June 1, 2021 *DIN:* 02770898	61	***Indian Companies*** • Snowman Logistics Limited • India Glycols Limited • Gateway Distriparks Limited ***Foreign companies*** • Bottlers Nepal Limited • Bottlers Nepal Terai Limited
Vandana Bharat Patravale *Designation:* Independent Director (Non-Executive) *Date of Birth*: October 21, 1965 *Address*: C-15 Divine Light CHS, 137/139 M V Road, Andheri East, Mumbai 400 093 *Occupation*: Teaching and Research *Nationality:* Indian *Term:* Three years with effect from July 08, 2021 *Period of directorship*: Director since July 8, 2021 *DIN:* 09200693	55	***Indian Companies*** Nil ***Foreign companies*** Nil

Brief profiles of our Directors

Dhirajlal Vallabhbhai Kotadia is the Chairman of our Company. He holds a diploma in electronics and sound engineering (with in-plant training) from the Technical Examination Board, Gujarat. He is also the founder-chairman of Sahajanand Technologies Private Limited.

Bhargav Dhirajlal Kotadia is the Managing Director of our Company. He holds a bachelor's degree of science from Purdue University in USA. He has a total of eight years of industry experience in a range of senior management positions managing projects and corporate development in mid-size companies in the healthcare as well as high tech capital machinery industries. He currently serves on the board of directors of Sahajanand Technologies Private Limited, Sahajanand Life Sciences Private Limited, SMT Cardiovascular Private Limited and Vascular Concepts Limited.

Abhishek Rajendrakumar Kabra is a Non-Executive Director of our Company and the nominee of Samara Capital Markets Holding Limited on our Board. He holds a bachelor's degree in commerce from M.L. Dahanukar College of Commerce, University of Mumbai. He is a qualified chartered accountant and holds an MBA from the S.P. Jain Institute of Management and Research, Mumbai. He works as Managing Director of Samara India Advisors Private Limited under dual agreement with Samara India Advisors Private Limited and Samara Alternate Investment Management LLP. He has investment and portfolio management experience across consumer, healthcare, banking, and logistics sectors. He currently serves on the board of directors of Medicover Healthcare Private Limited. He was previously associated with Reliance Capital Asset Management Limited.

Jose Calle Gordo is a Non-Executive Director of our Company. He holds a master's degree in science from the Universidad Politecnica de Madrid, Spain. He is a global medical device executive with over 30 years of business experience. Currently, he is an Operating Partner at Valiance Asset Management, a venture growth investment firm in London. Previously he held leadership roles at Abbott Vascular and Guidant Europe SA in the fields of coronary intervention, structural heart, peripheral vascular and cardiac rhythm management. He started his career at Eli Lilly where he had several commercial roles with growing responsibility in the field of cardiac devices.

Lalit Chandra Reddy is a Non-Executive**,** Independent Director of our Company. He holds bachelor's degree in business administration from the University of Michigan and an MBA from Harvard University. He has previously worked with Bain & Company India Private Limited.

Ranjal Laxmana Shenoy is a Non-Executive**,** Independent Director of our Company. He holds a master's degree in law from the University of Bombay. He is a qualified Chartered Accountant. Previously he was associated with Merck India Limited.

Shukla Wassan is a Non-Executive**,** Independent Director of our Company. She holds bachelor's degrees in commerce and law from the University of Calcutta. She is a Fellow Member of the Institute of Company Secretaries in India, a Fellow Member of the Chartered Institute of Arbitrators, London and an ADR/ ODR accredited civil/ commercial mediator. She is an accredited mediator on commercial mediation and negotiation from the School of Finance, Indian Institute of Corporate Affairs. She has served on several boards, and previously worked as an Executive Director Legal and Corporate Affairs, South Asia for Hindustan Coca-Cola Beverages Private Limited.

Vandana Bharat Patravale is a Non-Executive**,** Independent Director of our Company. She holds a bachelor's degree in pharmacy from the University of Bombay and master's degree of pharmacy from the University of Bombay. She was also conferred a doctorate in philosophy (technology) from the University of Bombay. Previously, she was appointed to the post of Lecturer in pharmaceutics in the university department of chemical technology, University of Bombay and was subsequently promoted to the post of Reader and further promoted to the post of Professor in the department of pharmaceutical sciences and technology department, University of Mumbai.

Relationship between our Board of Directors and Key Managerial Personnel.

Bhargav Dhirajlal Kotadia is the son of Dhirajlal Kotadia. Apart from this, none of our Directors are related to each other or to the Key Managerial Personnel of our Company.

Arrangements or understandings with major shareholders, customers, suppliers or others

Apart from Abhishek Rajendrakumar Kabra, nominated by Samara Capital Markets Holding Limited, in terms of their rights under the SHA and SHA Amendment Agreement, none of our Directors have been appointed or selected as a Director pursuant to any arrangement or understanding with our major shareholders, customers, suppliers, or others. For more information on the SHA and SHA Amendment Agreement, see "*History and Certain Corporate Matters – Shareholders' Agreement"* on page 194.

Terms of appointment of Directors

1. *Remuneration details of our Managing Director*

Bhargav Dhirajlal Kotadia

Pursuant to Board resolution dated December 28, 2017, and the employment agreement dated January 1, 2018, between our Company and Bhargav Dhirajlal Kotadia. Bhargav Dhirajlal Kotadia is entitled to the following remuneration:

Particulars	Remuneration (in ₹ million per annum)
Salary*	7.20
Other benefits	1.08

**Including all allowances, benefits, perquisites, incentive and bonus*

During Fiscal 2021, our Company paid Bhargav Dhirajlal Kotadia a remuneration of ₹ 8.28 million.

2. *Remuneration details of our Chairman*

Our Company does not pay any remuneration to our Chairman as an annual remuneration/ commission.

3. *Remuneration details of our Independent Directors*

Pursuant to the resolutions passed by our Board of Directors on September 16, 2021, our Independent Directors are entitled to payment of sitting fees, as applicable, for attending meetings of the Board of Directors and meetings of each of the committees of the Board.

All our Independent Directors were appointed in Fiscal 2022, and accordingly no remuneration was paid to our Independent Directors in Fiscal 2021.

4. *Remuneration details of our Non-Executive Director*

Pursuant to the letter of appointment dated June 1, 2021, Jose Calle Gordo is entitled to an annual remuneration of $100,000. Jose Calle Gordo drew a remuneration of ₹ 17.71 million in Fiscal 2021.

5. *Remuneration paid to our Directors by our Subsidiaries*

As on the date of this Draft Red Herring Prospectus, none of the Directors of our Company was paid any remuneration by any Subsidiaries.

Contingent and deferred compensation payable to our Directors

There is no contingent or deferred compensation payable to our Directors.

Bonus or profit sharing plan for Directors

Our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors in our Company

Our Articles do not require the Directors to hold any qualification shares.

Details of our Directors who hold Equity Shares in our Company as on the date of this Draft Red Herring Prospectus are as follows:

Name	No. of Equity Shares	Percentage of pre-Offer Equity Share capital (%)
Bhargav Dhirajlal Kotadia	5,000	Negligible*

**Less than 0.01%*

Service contracts with Directors

There are no service contracts entered into with any of our Directors which provide for benefits upon termination of employment.

Interest of our Directors

All of our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration, bonus and reimbursement of expenses, if any, payable to them.

Certain of our Directors may also be regarded as interested in the Equity Shares held by them or by the shareholders that have nominated them on our Board. Further, certain Directors may also be deemed to be interested in Equity Shares that may, pursuant to this Offer, be subscribed by or Allotted to them, their relatives, or to the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters.

Certain of our Directors may also be interested to the extent of goods and services supplied by companies in which they are directors or shareholders, to our Company.

Interest in promotion or formation of our Company

Except for (a) Dhirajlal Vallabhbhai Kotadia who was one of the subscribers to our Company's MOA, and (b) Bhargav Dhirajlal Kotadia who is a Promoter of our Company, none our Directors have any interest in the promotion or formation of our Company as of the date of this Draft Red Herring Prospectus.

Interest in property

Our Company has purchased a factory building situated in the Surat Special Economic Zone, Sachin GIDC, Surat (Gujarat), from one of our Group Companies and a member of the Promoter Group, Sahajanand Technologies Private Limited, in which our Directors, Bhargav Dhirajlal Kotadia and Dhirajlal Vallabhbhai Kotadia are directors. Except for the purchase of the factory building, none of our Directors are interested in any property acquired by our Company or proposed to be acquired by it.

Other than as disclosed in "*Related Party Transactions*" and "*Financial Information – Restated Consolidated Financial Information*" on pages 217 and 219, respectively and except as disclosed herein above, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which our Directors are directly or indirectly interested and no payments have been made to our Directors in respect of the contracts, agreements or arrangements which are proposed to be made with our Directors other than in the normal course of business.

No loans have been availed by our Directors from our Company.

Confirmations

None of our Directors have been identified as Wilful Defaulters.

Except as disclosed below, our directors are not, and have not, during the five years preceding the date of this Draft Red Herring Prospectus, been on the board of any listed company whose shares have been or were suspended from being traded on any stock exchanges(s) during their term of tenure in such company:

S. no.	Particulars	Details
1.	Name of Director	Ranjal Shenoy
2.	Name of the company	Shrenuj and Company Limited ("**Shrenuj**")
3.	Name of the stock exchange(s) where the company was listed	BSE Limited and National Stock Exchange of India Limited
4.	Date of suspension on the stock exchanges	March 27, 2017
5.	If trading suspended for more than three months, reasons for suspension and period of suspension	Shrenuj remained suspended during the term of Ranjal Shenoy's directorship. The suspension was on account of non-compliance with the SEBI Listing Regulations.
6.	If the suspension of trading revoked, the date of revocation of suspension	Shrenuj remained suspended during the term of Ranjal Shenoy's directorship.
7.	Term of directorship (along with relevant dates) in the above company	March 21, 2017 to September 29, 2017

None of our Directors have been or are directors on the board of listed companies which have been or were delisted from any stock exchange(s) during their term of tenure in such company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, or companies in which they have an interest in, by any person, either to induce him to

become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm, or company in which he is interested, in connection with the promotion or formation of our Company.

Changes in our Board of Directors during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Name of Director	Date of change	Reasons
Lalit Chandra Reddy	July 8, 2021	Appointed as an Independent Director (Non-Executive)*
Ranjal Laxmana Shenoy	June 1, 2021	Appointed as an Independent Director (Non-Executive)*
Shukla Wassan	June 1, 2021	Appointed as an Independent Director (Non-Executive)*
Vandana Bharat Patravale	July 8, 2021	Appointed as an Independent Director (Non-Executive)*
Arjun Saigal	June 1, 2021	Cessation of nominee directorship
Dhirajkumar Savjibhai Vasoya	June 1, 2021	Cessation
Gautam Gode	September 16, 2021	Cessation of nominee directorship.
Ganesh Prasad Sabat	July 20, 2021	Cessation
Harivadan Jagadish Pandya	June 1, 2021	Cessation
Mohit Jhawar	June 1, 2020	Cessation
Jose Calle Gordo	September 20, 2019	Appointed as an Additional Director**

**Regularised pursuant to resolution dated September 18, 2021, passed by our Shareholders.*
***Regularised pursuant to resolution dated December 31, 2020, passed by our Shareholders.*

Borrowing Powers of our Board of Directors

Pursuant to our Articles of Association, subject to applicable laws, our Board is authorised to borrow sums of money for the purpose of our Company with or without security upon such terms and conditions as the Board may think fit which, together with the monies borrowed by the company (apart from the temporary loans obtained or to be obtained from the Company's banker in the ordinary course of business) shall not exceed the aggregate paid-up share capital and free reserves of our Company.

Corporate Governance

In addition to the Companies Act, 2013, the provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges.

Our Company currently has eight Directors of which one is the Chairman, one is the Managing Director, one is a non-executive director, one is a nominee director, and four Directors are Independent Directors. Our Company is in compliance with corporate governance norms prescribed under SEBI Listing Regulations and the Companies Act, 2013, particularly, in relation to composition of our Board of Directors and constitution of board level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements under SEBI Listing Regulations and the Companies Act, 2013.

Board-level committees

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders' Relationship Committee;
(d) Corporate Social Responsibility Committee; and
(e) Risk Management Committee.

The details of the committees required to be constituted by our Company under the Companies Act, 2013 and the SEBI Listing Regulations are as follows:

Audit Committee

The Audit Committee currently comprises of:

Name	Position in the committee	Designation
Ranjal Laxmana Shenoy	Chairperson	Independent Director
Shukla Wassan	Member	Independent Director
Abhishek Rajendrakumar Kabra	Member	Non-Executive Nominee Director

The Audit Committee was last reconstituted pursuant to a resolution passed by our Board in its meeting held on September 16, 2021. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to the resolution passed by our Board in its meeting held on September 16, 2021, *inter alia*, include:

a) overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;

b) recommendation to the board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;

c) approval payments to statutory auditors for any other services rendered by the statutory auditors;

d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   i) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

   ii) changes, if any, in accounting policies and practices and reasons for the same;

   iii) major accounting entries involving estimates based on the exercise of judgment by management;

   iv) significant adjustments made in the financial statements arising out of audit findings;

   v) compliance with listing and other legal requirements relating to financial statements;

   vi) disclosure of any related party transactions; and

   vii) modified opinion(s) in the draft audit report;

e) reviewing, with the management, the quarterly financial statements before submission to the Board for approval; reviewing, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

f) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

g) approval or any subsequent modification of transactions of the Company with related parties. All related party transactions shall be approved by only Independent Directors who are the members of the committee and the other members of the committee shall reuse themselves on the discussions related to replated party transactions;

h) scrutiny of inter-corporate loans and investments;

i) valuation of undertakings or assets of the Company, wherever it is necessary. Appointment of a Registered Valuer under Section 247 of the Companies Act, 2013;

j) evaluation of internal financial controls and risk management systems;

k) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

l) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

m) discussion with internal auditors of any significant findings and follow up thereon;

n) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

o) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

p) look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

q) review the functioning of the whistle blower mechanism;

r) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

s) carrying out any other function as is mentioned in the terms of reference of the audit committee;

t) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

u) the Audit Committee shall review compliance with the provisions of the SEBI Insider Trading Regulations, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and

v) to consider the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company's shareholders.

The Audit Committee shall mandatorily review the following information:

a) management discussion and analysis of financial condition and results of operations;

b) statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;

c) management letters / letters of internal control weaknesses issued by the statutory auditors;

d) internal audit reports relating to internal control weaknesses; and

e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and

f) statement of deviations:

   i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations; and

   ii) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

The powers of the Audit Committee shall include the following:

a) management discussion and analysis of financial condition and results of operations;

b) to investigate any activity within its terms of reference;

c) to seek information from any employee of the Company;

d) to obtain outside legal or other professional advice; and

e) to secure attendance of outsiders with relevant expertise, if it considers necessary.

The Company Secretary and Compliance Officer shall act as Secretary to the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee currently consists of:

Name	Position in the committee	Designation
Shukla Wassan	Chairperson	Independent Director
Lalit Chandra Reddy	Member	Independent Director
Jose Calle Gordo	Member	Non-Executive Director

The Nomination and Remuneration Committee was last reconstituted pursuant to a resolution passed by our Board in its meeting held on September 16, 2021. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to the resolution passed by our Board in its meeting held on September 16, 2021, *inter alia*, include:

a) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

   i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

   ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;

b) formulating of criteria for evaluation of performance of independent directors and the boards;

c) devising a policy on board diversity;

d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

e) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may:

   i) use the services of an external agencies, if required;

ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

iii) consider the time commitments of the candidates;

f) extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

g) recommending to the board, all remuneration, in whatever form, payable to senior management;

h) administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;

i) framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:

i) the SEBI Insider Trading Regulations; and

ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

j) carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;

k) performing such other functions as may be necessary or appropriate for the performance of its duties; and

l) perform such functions as are required to be performed by the Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee currently comprises of:

Name	Position in the committee	Designation
Ranjal Laxmana Shenoy	Chairperson	Independent Director
Shukla Wassan	Member	Independent Director
Bhargav Dhirajlal Kotadia	Member	Managing Director

The Stakeholders' Relationship Committee was last reconstituted pursuant to a resolution passed by our Board in its meeting held on September 16, 2021. The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to the resolution passed by our Board in its meeting held on September 16, 2021, inter alia, include:

a) considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;

b) resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

c) review of measures taken for effective exercise of voting rights by shareholders;

d) review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent; and

e) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee currently comprises of:

Name	Position in the committee	Designation
Shukla Wassan	Chairperson	Independent Director
Vandna Patravale	Member	Independent Director
Dhirajlal Vallabhbhai Kotadia	Member	Chairman
Bhargav Dhirajlal Kotadia	Member	Managing Director

The Corporate Social Responsibility Committee was last reconstituted pursuant to a resolution passed by our Board in its meeting held on September 16, 2021. The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act, 2013 and its terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on September 16, 2021, inter alia, include:

a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;

b) The CST Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013; (b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4; (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes; (d) monitoring and reporting mechanism for the projects or programmes; and (e) details of need and impact assessment, if any, for the projects undertaken by the Company; provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect;

c) review and recommend the amount of expenditure to be incurred on the activities referred to above;

d) monitor the Corporate Social Responsibility Policy of the company and its implementation from time to time;

e) do such other acts, deeds and things as may be required to comply with the applicable laws; and

f) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

Risk Management Committee

The Risk Management Committee currently comprises of:

Name	Position in the committee	Designation
Bhargav Dhirajlal Kotadia	Chairperson	Managing Director
Ranjal Laxmana Shenoy	Member	Independent Director
Ganesh Prasad Sabat	Member	Chief Executive Officer

The Risk Management Committee was constituted by a resolution of our Board dated September 16, 2021. The terms of reference of the Risk Management Committee include the following:

a) formulate a detailed risk management policy which shall include:

   i) framework for identification of internal and external risks specifically faced by the listed entities, in particular including financial, operational, sectoral, sustainability (particularly environmental, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

ii) measures for risk mitigation including systems and processes for internal control of identified risks; and

iii) business continuity plan

b) ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

c) monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

d) periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

e) keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

f) appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

g) implement and monitor policies and/or processes for ensuring cyber security;

h) review and recommend potential risk involved in any new business plans and processes;

i) review the Company's risk-reward performance to align with the Company's overall policy objectives;

j) advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and

k) performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

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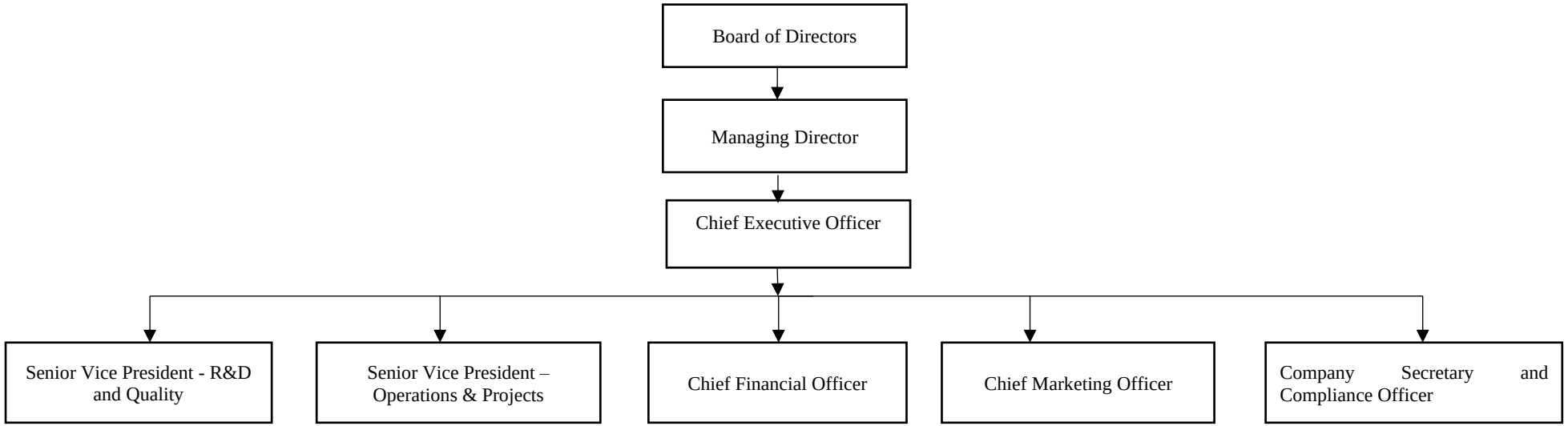
Management Organisation Structure



Key Managerial Personnel

In addition to our Managing Director, Bhargav Dhirajlal Kotadia, whose details are provided in *"Our Management – Brief Profiles of our Directors"* beginning on page 198. The details of our other Key Management Personnel as of the date of this Draft Red Herring Prospectus are set forth below:

Ganesh Prasad Sabat is the Chief Executive Officer of the Company. He has been associated with our Company since March 2, 2010. He is a qualified company secretary and holds a bachelor's degree in science from Utkal University in Odisha and an MBA from Washington University Saint Louis, USA. He has more than 12 years of experience in corporate strategy and finance and has exposure in medical devices, life sciences, chemical, and financial services industry. Prior to joining our Company, he was associated with Cheers Interactive (India) Private Limited. He has received remuneration of ₹ 16.79 million in Fiscal Year 2021.

Nitin Agarwal is the Chief Financial Officer of our Company. He has been associated with our Company since April 5, 2021. He is a qualified chartered accountant and holds a bachelor's degree in commerce from Calcutta University and post graduate diploma in management for executives from the Indian Institute of Management Society, Lucknow. He has over 15 years of experience in finance and strategy. Prior to joining our Company, he was associated with Shalina Healthcare DMCC where he was the Chief Financial Officer. He has also worked with Hindustan Unilever Limited, Alkem Laboratories Limited, Cipla Limited and Godrej Consumer Products Limited. He has received nil remuneration in Fiscal Year 2021.

Piyush Savalia is the Chief Marketing Officer of our Company. He has been associated with our Company since September 1, 2008. He holds a bachelor's degree in pharmaceutical sciences from Mumbai University. He has over 12 years of experience in the interventional cardiology and the pharmaceutical industry. Prior to joining our Company, he was associated with Vascular Concepts Limited. He has received remuneration of ₹ 10.53 million in Fiscal Year 2021.

Ajit Bhawar is the Senior Vice President – Operations & Projects of our Company. He has been associated with our Company since November 16, 2011. He holds a bachelor's degree in science from Amravati University, a master's degree in science from Marathwada University, Aurangabad and a diploma in pharmaceutical quality control and quality assurance management from the Institute of Pharmaceutical Education and Research. He has over 25 years of experience in medical devices and pharmaceutical industry. He is also leading the project to build our Company's upcoming manufacturing facility in Telangana. Prior to joining our Company, he was associated with Pregna International Limited, Mayo India Limited and Concept Pharmaceuticals Limited. He has received remuneration of ₹ 5.05 million in Fiscal Year 2021.

Flora Das is the Company Secretary and Compliance Officer of our Company and also heads the legal function of our Company. She has been associated with our Company since June 5, 2017. She holds a bachelor's degree in commerce and a bachelor's degree in law , each from the University of Mumbai and a post graduate diploma in business administration from Symbiosis Centre for Distance Learning, Pune. She is an associate member of the Institute of Company Secretaries in India. Prior to joining our Company, she was associated with Jai Corp Limited, Arshia International Limited, the MobileWallet Private Limited and Jotun India Private Limited. She has received remuneration of ₹ 2.19 million in Fiscal Year 2021.

Abhijeet Singhvi is the Senior Vice President – R&D and Quality of our Company. He has been associated with our Company since March 29, 2010. He holds a bachelor's degree in engineering from Visveswaraiah Technological University, Belgaum and a master's degree in engineering from Worcester Polytechnic Institute in USA. He has over 11 years of experience in the medical device industry. Prior to joining our Company, he was associated with Boston Scientific. He has received remuneration of ₹ 5.85 million in Fiscal Year 2021.

Status of Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company.

Relationship among Key Managerial Personnel

Our Key Managerial Personnel are neither related to each other, nor related to any of the Directors.

Bonus or profit sharing plan for the Key Managerial Personnel

There is no bonus or profit-sharing plan for the Key Managerial Personnel of our Company.

Shareholding of Key Managerial Personnel

Except for Bhargav Dhirajlal Kotadia, none of our Key Managerial Personnel holds Equity Shares in our Company.

Service Contracts with Key Managerial Personnel

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company, including Directors, Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

Interest of Key Managerial Personnel

Certain Key Managerial Personnel may be deemed to be interested in Equity Shares, (including any dividends that may be paid) that may, pursuant to this Offer, be subscribed by or Allotted to them, their relatives, or to the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters, apart from that, none of our Key Managerial Personnel have any interest in our Company except to the extent of remuneration from our Company and benefits and reimbursement of expenses incurred by them in the ordinary course of business.

No loans have been availed from our Company by our Key Managerial Personnel.

Contingent and deferred compensation payable to Key Managerial Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel.

Changes in Key Managerial Personnel during the last three years

The changes in Key Managerial Personnel in the last three years is as follows:

Name	Designation	Date of change	Reason for change
Nitin Agarwal	Chief Financial Officer	April 5, 2021	Appointed as Chief Financial Officer
Ashish Mohanlal Agarwal	Chief Financial Officer	January 28, 2021	Resigned as Chief Financial Officer

Payment of non-salary related benefits to officers of our Company

No amount or benefit has been paid or given to any officers of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid, other than in the ordinary course of their employment.

See "*History and Other Corporate Matters – Agreements with Key Managerial Personnel, Director, Promoters or any other employee*" on page 195 for a description of certain incentives that the Selling Shareholders have agreed to pay to certain employees of our Company (including the KMPs) upon listing of the Equity Shares on the Stock Exchanges pursuant to the Offer.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been appointed or selected as a Key Managerial Personnel pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Employee stock option and stock purchase schemes

For details of employee stock option(s) and stock purchase schemes of our Company, see "*Capital Structure – ESOP 2021*" on page 85.

OUR PROMOTER AND PROMOTER GROUP

The Promoters of our Company are Bhargav Dhirajlal Kotadia and Shree Hari Trust. As on the date of this Draft Red Herring Prospectus, our Promoters holds an aggregate of 3,14,48,581 Equity Shares comprising 35.37% of our paid-up Equity Share capital.

For details of the build-up of our Promoters' shareholding in our Company, see "*Capital Structure*" on page 74.

The details of our Promoters are as follows:

Individual Promoter

Bhargav Dhirajlal Kotadia

Bhargav Dhirajlal Kotadia aged 30 years, is a citizen of United States of America. He resides at Plot no. 43-48, Narayanmuni Nagar Society, Ved Road, Surat 395004, India. His international driving license number is K-330-088-142-746. His PAN is DAPPK9753Q and his Aadhar number is 996740217331. For details of his age, educational qualifications, professional experience, positions/posts held in the past and other directorships, special achievements, business, and other activities, see "*Our Management*" beginning on page 196.

Our Company confirms that the PAN, bank account number and passport number of Bhargav Dhirajlal Kotadia, shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Other Promoter

Shree Hari Trust

Shree Hari Trust was formed pursuant to a trust deed dated March 10, 2018 ("**Trust Deed**"). The trustees of Shree Hari Trust are Tariq Aboobaker (director of Amicorp Trustees (India) Private Limited), Kishor D. Dudhat, Rajesh C. Shah and Harivadan J. Pandya. The registered office of Shree Hari Trust is at 802/B, Naman Midtown, Elphinstone Road, Off Senapati Bapat Marg, Mumbai 400013. Vallabhbhai Kotadia is the settlor of Shree Hari Trust. The primary beneficiaries of Shree Hari Trust are Sharada Dhirajlal Kotadia, Urmi Lakkad, Priyanka Cohen and Bhargav Dhirajlal Kotadia. The overall objective of Shree Hari Trust is for management of the Kotadia family assets from one generation to the next.

There has been no change in control of Shree Hari Trust in the preceding three years.

Our Company confirms that the PAN, bank account number and trust registration number of Shree Hari Trust shall be submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

Other ventures of our Promoters

Our Promoters are not involved with any other venture.

Experience of our Promoters in the business of our Company

For details in relation to experience of our Promoters in the business of our Company, see "*Our Management*" beginning on page 196.

Changes in management and control of our Company

Dhirajlal Vallabhai Kotadia, the original promoter of our Company, gifted 31,224,531 Equity Shares to his father, Vallabhbhai Kotadia on October 27, 2018. Subsequently, Vallabhbhai Kotadia settled the Shree Hari Trust, and gifted all such 31,443,581 Equity Shares to Shree Hari Trust. For details, see "*Capital Structure - Build-up of Promoter's shareholding in our Company*" on page 77. Each of the transfers were in compliance with applicable laws.

Interests of Promoters and Related Party Transactions

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, (ii) the directorship of our Individual Promoter in our Company, and (iii) to the extent of their shareholding and the shareholding of the relatives of our Individual Promoter in our Company. Our Individual Promoter is also interested in our Company to the extent of being the Managing Director of our Company and to the extent of remuneration and reimbursement of expenses payable to him in such capacity. For details on shareholding of our Promoters in our Company, see "*Capital Structure*" on page 74. For further details of interest of our Promoter in our Company, see "*Our Management*" and "*Related Party Transactions*" beginning on pages 196 and 217.

Other than as disclosed in "*Related Party Transactions*" on page 217 and except as disclosed herein above, our Company has not entered into any contract, agreements or arrangements during the two years immediately preceding the date of this Draft Red Herring Prospectus and does not propose to enter into any such contract in which our Promoters are directly or indirectly interested and no payment has been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with.

Sahajanand Technologies Private Limited, of which Bhargav Dhirajlal Kotadia (our individual Promoter) is a director, and in which Shri Hari Trust holds 48.51% of the equity shareholding, supplied capital goods to our Company for ₹ 3.71 million, ₹ 23.69 million and ₹ 25.57 million, in Fiscal 2021, Fiscal 2020 and Fiscal 2019, respectively. Our Promoters may also be interested to the extent of goods and services supplied by companies in which they are directors or shareholders, to our Company. Apart from this, our Promoters are not interested in any property acquired by our Company in the preceding three years from the date of filing this Draft Red Herring Prospectus with SEBI or proposed to be acquired by our Company as on the date of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building and supply of machinery.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid, or agreed to be paid to them or to such firm or company, in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a director or otherwise, for services rendered by them or by such firm or company, in connection with the promotion or formation of our Company.

Payment or Benefits to Promoters or Promoter Group

Except as stated above, and otherwise as disclosed in the section "*Related Party Transactions*" on page 217 and "*Our Management*" on page 196, there has been no payment or benefit given or paid to our Promoters or Promoter Group during the two years prior to the filing of this Draft Red Herring Prospectus nor there is any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Companies with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company during the last three years preceding the date of this Draft Red Herring Prospectus.

Material guarantees given by our Promoters

There are no material guarantees given by our Promoters to third parties, with respect to the Equity Shares of our Company.

Other confirmations

None of our Promoters have been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

Our Promoters and members of our Promoter Group have not been declared as Wilful Defaulters.

Our Promoters and members of our Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other authorities.

Our Promoters are not and have never been Promoters or director of any other company which is debarred from accessing capital markets.

Our Promoter Group*

A. Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group (due to their relationship with our Promoters), other than our Promoters, are as follows:

Name of the Promoter	Name of the relative	Relationship
Bhargav Dhirajlal Kotadia	Dhirajlal Vallabhbhai Kotadia	Father
	Sharada Dhirajlal Kotadia	Mother
	Urmi Lakkad	Sister
	Priyanka Cohen	Sister

* *An exemption application dated September 27, 2021 under Regulation 300(1)(c) of the SEBI ICDR Regulations has been submitted to SEBI (along with this DRHP) seeking an exemption from identifying (i) Hemali Kotadia (spouse of one our Promoters, Bhargav Dhirajlal Kotadia), Dinesh Virani (father of the spouse of one of the Promoters, Bhargav Dhirajlal Kotadia), Indira Virani (mother of the spouse of one of the Promoters, Bhargav Dhirajlal Kotadia), and Kevin Virani (brother of the spouse of one of the Promoters, Bhargav Dhirajlal Kotadia) ("**Relevant Individuals**"); and (ii) any body corporate in which the Relevant Individuals or any Hindu undivided family or firm where they are members, may hold 20% or more of the equity share capital, or (iii) any body corporate in which the body corporate mentioned under (ii) above holds 20% or more of the equity share capital; or (iv) any Hindu undivided family or firm in which the Relevant Individuals may hold 20% or more of the total capital, respectively, in accordance with the SEBI ICDR Regulations.*

In addition to the above, the following is the list of persons constituting the Promoter Group of the Company in terms of Regulation 2(1)(pp)(v) of the SEBI ICDR Regulations:

1. Dhirajkumar S. Vasoya; and

2. Naynaben D. Vasoya

B. Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

1. Sahajanand Technologies Private Limited

2. Sahajanand Life Sciences Private Limited

3. Nyalkaran Industries LLP

4. Lightwave Technologies Limited

5. Sahajanand Life Sciences Inc.

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of "group companies", our Company has considered (i) such companies (other than Promoters and Subsidiaries) with which there were related party transactions during the period for which Restated Consolidated Financial Information have been disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards; and (ii) any other companies which are considered material by our Board.

In respect of item (ii) above, our Board in its meeting held on September 16, 2021, has considered and adopted the Materiality Policy, inter alia, for identification of companies that shall be considered material and shall be disclosed as a group company in the Draft Red Herring Prospectus. In terms of the Materiality Policy, if a company (a) is a member of our Promoter Group; and (b) has entered into one or more transactions with our Company during the most recent Financial Year and/or the relevant stub period included in the Restated Consolidated Financial Information, that cumulatively exceed 10% of the total revenue of our Company derived from the Restated Consolidated Financial Information of the last completed full Financial Year included in the Restated Consolidated Financial Information, it shall be considered material and identified as a group company in this Draft Red Herring Prospectus.

Based on the parameters outlined above, our Board has identified Sahajanand Technologies Private Limited, Sahajanand Life Sciences Private Limited and NHPEA Sparkle Holding B.V. as the group companies of our Company ("**Group Companies**") as on the date of this Draft Red Herring Prospectus.

Details of our Group Companies

1. **Sahajanand Technologies Private Limited**

The registered office of Sahajanand Technologies Private Limited ("**Sahajanand Technologies**") is situated at Sahajanand Estate, Wakharia Wadi, NR. Dabholi Char Rasta, Nani Ved, Ved Road, Surat, Gujarat – 395 004.

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of Sahajanand Technologies for financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 in terms of the SEBI ICDR Regulations are available on its website at www.stpl.com.

2. **Sahajanand Life Sciences Private Limited**

The registered office of Sahajanand Life Sciences Private Limited ("**Sahajanand Life Sciences**") is situated at Sahajanand Estate, Wakharia Wadi, NR. Dabholi Char Rasta, Nani Ved, Ved Road, Surat, Gujarat – 395 004.

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of Sahajanand Life Sciences for financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 in terms of the SEBI ICDR Regulations are available on its website at www.suayu.com.

3. **NHPEA Sparkle Holding B.V.**

The registered office of NHPEA Sparkle Holding B.V. ("**NHPEA**") is situated at Radarweg 29 B7, 1043 NX Amsterdam, the Netherlands.

NHPEA does not have a website. Accordingly, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the financial statements of NHPEA for financial years ended December 31, 2020, December 31, 2019 and December 31, 2018 in terms of the SEBI ICDR Regulations are available on the Company's website at www.smtpl.com. NHPEA is not required to audit its financial statements in accordance with the law prevailing in its jurisdiction, and accordingly, the aforementioned financial line items are not audited.

Interest of Group Companies in our Company

(a) ***In the promotion of our Company or business interests in our Company***

None of our Group Companies has any interest in the promotion or any business interest in our Company.

(b) ***In the properties acquired by our Company in the past three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired***

Except as disclosed below, none of our Group Companies has any interest in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or that are proposed to be acquired by our Company.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

Except as disclosed below, none of our Group Companies has any interest in any transactions for the acquisition of land, construction of building or supply of machinery:

- Sahajanand Technologies Private Limited supplied capital goods to our Company for ₹3.71 million, ₹ 23.69 million and ₹ 25.57 million, in Fiscal 2021, Fiscal 2020 and Fiscal 2019, respectively.

- Sahajanand Life Sciences Private Limited supplied capital goods to our Company for ₹ 0.38 million in Fiscal 2020.

For details see "*Related Party Transactions*" on page 217.

Common Pursuits amongst the Group Companies with our Company

There are no common pursuits between the Group Companies and our Company.

Related Business Transactions with our Group Companies and significance on the financial performance of our Company

For details of related party transactions between our Company and our Group Companies till they were related parties under the applicable accounting standard, see "*Related Party Transactions*" on page 217.

Litigation

None of our Group Companies are currently party to any pending litigations which would have a material impact on our Company.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during Fiscals 2021, 2020 and 2019, as per the requirements under Ind AS 24 see "*Financial Information – Restated Consolidated Financial Information – Note 31: Related Party Disclosures"* on page 250.

DIVIDEND POLICY

As on the date of this Draft Red Herring Prospectus, our Company has adopted a dividend distribution policy ("**Dividend Policy**") pursuant to a resolution of the Board dated March 16, 2021. The declaration and payment of dividends, if any, will be recommended by our Board, in terms of the Dividend Policy and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

In accordance with the Dividend Policy, the Board shall consider the certain financial parameters and other internal and external factors before declaring dividend, including but not limited to operating cash flow of the Company, profit earned during the year and earnings per share, working capital requirements, capital expenditure requirement, business expansion and growth, likelihood of crystallization of contingent liabilities, if any, debt obligations and cost of borrowings, etc.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing documents that our Company is currently a party to or may enter into from time to time.

Our Company has not declared any dividend on the Equity Shares for Fiscal 2019, Fiscal 2020 or Fiscal 2021 and from April 1, 2021 till the date of this Draft Red Herring Prospectus.

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Articles of Association and provisions of the SEBI Listing Regulations and other applicable laws. Our Company may pay dividend by cheque, electronic clearance service, as will be approved by our Board in the future. Our Company may also, from time to time, pay interim dividends.

See "*Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*" on page 54.

SECTION V – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Sahajanand Medical Technologies Limited
(formerly known as Sahajanand Medical Technologies Private Limited)
Sahajanand Estate,
Wakharia Wadi,
Near Dabholi Char Rasta,
Nani Ved, Ved road, Surat,
Gujarat – 395 004, India

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of **Sahajanand Medical Technologies Limited (formerly known as Sahajanand Medical Technologies Private Limited)** (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2021, 2020 and 2019, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Cash Flow Statement, the Restated Consolidated Statement of Changes in Equity for the for the years ended March 31, 2021, 2020 and 2019, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on September 18, 2021 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP) prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act");

    b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

    c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited and the National Stock Exchange of India Limited in connection with the IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2.1 to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

    a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 26, 2021 in connection with the IPO of equity shares of the Issuer;

    b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

    c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from Audited Consolidated Ind AS financial statements of the Group as at and for the years ended March 31, 2021, 2020 and 2019 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 16, 2021, December 11, 2020 and September 04, 2019 respectively.

5. For the purpose of our examination, we have relied on Auditors' reports issued by us dated September 16, 2021, December 11, 2020 and September 04, 2019 on the consolidated financial statements of the Group as at and for the years ended March 2021, 2020 and 2019 as referred in Paragraph 4 above.

   The auditor's report on the Consolidated Financial Statements of the Group as at and for the year ended March 31, 2021 includes the following Emphasis of Matter paragraph (also refer Note 36 of the Restated Consolidated Financial Information):

   "We draw attention to Note 36 to the consolidated financial statements, which describes the prior period adjustments relating to the share-based payments.

   Our opinion is not modified with respect to this matter."

6. As indicated in our audit reports referred above, we did not audit financial statements of 11 subsidiaries for the year ended March 31, 2021, 8 subsidiaries for the year ended March 31, 2020 and 1 subsidiary for the year ended March 31, 2019, whose share of total assets, total revenues, net cash inflows / (outflows) in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors, and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

(Amounts in INR million)

Particulars	As at / for the year ended March 31, 2021	As at / for the year ended March 31, 2020	As at / for the year ended March 31, 2019
Total assets	4,529.24	1,505.77	231.09
Total revenue	2,664.07	906.97	250.05
Net cash inflow/ (outflows)	945.28	48.71	(0.97)

Our opinion on the consolidated Ind AS financial statements is not modified in respect of this matter.

These other auditors of the subsidiaries, as mentioned above, have examined the restated consolidated financial information and have confirmed that the restated consolidated financial information:

i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2021, as applicable;

ii. do not require any adjustments for modification as there is no modification in the underlying audit reports; and

iii. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination reports submitted by the other auditors for the respective years, we report that the Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2021;

b) do not require any adjustment for modification as there is no modification in the underlying audit reports. There is an emphasis of matter (refer paragraph 5 above) relating to a prior period item, which has been appropriately accounted in the Restated Consolidated Financial Information; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

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

9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph 4 above.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited in connection with the IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration Number 117366W/W-100018)

Mukesh Jain
Partner
(Membership No. 108262)
UDIN: 21108262AAAASR5978

Place: Mumbai
Date: September 18, 2021

OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations:

1. the audited standalone financial statements of our Company as at and for the year ended March 31, 2021, March 31, 2020, and March 31, 2019 and the reports thereon dated September 18, 2021, December 11, 2020 and September 4, 2019, respectively; and

2. the standalone audited financial statements of Material Subsidiaries as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019.

(collectively the "**Audited Financial Statements**") are available at www.smtpl.com.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider in order to subscribe to or purchase any securities of our Company, or any of its Subsidiaries, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Accounting Ratios:

The accounting ratios derived from the Restated Consolidated Financial Information to be disclosed under SEBI ICDR Regulations are given below:

Particulars	As on/ For the year ended March 31, 2021	As on/ For the year ended March 31, 2020	As on/ For the year ended March 31, 2019
Basic Earnings per Share (₹)(Refer note 1)	(8.13)	2.76	4.00
Diluted Earnings per Share (₹) (Refer note 2)	(8.13)	2.69	3.67
Return on Net Worth Ratio (Refer note 3)	(21.06)	5.92	8.57
Net Asset Value Per Equity Share (₹) (Refer note 5)	38.62	46.64	46.63
Adjusted EBITDA (₹ in millions) (Refer Note 6)	478.00	557.31	546.51

1. *Basic EPS (₹) = Basic earnings per share are calculated by dividing the Restated Profit/(loss) for the year attributable to the owners of the company by the weighted average number of equity Shares outstanding during the year*
2. *Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the Restated Profit/(loss) for the year attributable to the owners of the Company by the weighted average number of equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares outstanding during the year.*
3. *Return on net worth ratio: Restated Profit/(loss) for the year attributable to owners of the Company divided by net worth attributable to the owners of the company as attributable to owners of the Company at the end of the year.*
4. *"Net worth attributable to the owners of the Company" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as on 31 March, 2021, 2020 and 2019. Therefore, net worth attributable to the owners of the company excludes capital reserve on business combinations and foreign currency translations reserve.*
5. *Net assets value per Equity Share: Net asset value per share is calculated by dividing net worth attributable to the owners of the company at the end of the year by number of Equity Shares outstanding at the end of the year.*
6. *Adjusted EBITDA: Adjusted EBITDA stands for earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance costs, depreciation expense & amortization, exceptional items and total tax expense to the Restated Profit/(loss) for the year. Accounting and other ratios have been derived from the Restated Consolidated Financial Information.*
7. *Net worth attributable to the owners of the Company, Return on Net worth attributable to the owners of the company, Adjusted EBITDA and Net Asset Value are non-GAAP measures. Please see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures" on page 304 for a reconciliation of each of them calculated from the Restated Consolidated Financial Information.*

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

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Consolidated Financial Information, which is included in this Draft Red Herring Prospectus.

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021 included herein is derived from our Restated Consolidated Financial Information, which are prepared under Ind AS, in accordance with requirements of the Companies Act, and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods. For further information, see "Financial Information – Restated Consolidated Financial Information" beginning on page 219.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" on pages 22 and 15, respectively.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Sahajanand Medical Technologies Limited on a standalone basis, and references to "the Group", "we", "us", and "our" are to Sahajanand Medical Technologies Limited on a consolidated basis.

Unless stated otherwise, industry and market data used in this section have been obtained or derived from publicly available information as well as industry publications and sources such as the Independent Market Report on Vascular Devices Market in Select Geographies dated August 20, 2021 that has been prepared by Frost & Sullivan, which report has been commissioned by our Company for the purposes of confirming our understanding of the industry in connection with the Offer.

Overview

We are a leading medical devices company that researches, designs, develops, manufactures and markets vascular devices globally. We differentiate our product offering in these categories by providing our customers with high quality products at market appropriate prices supported by strong clinical data. This combination has led us to a leading market share in the drug eluting stent ("**DES**") market in India, with a market share of 21%, 25% and 31% in Fiscals 2019, 2020 and 2021, respectively, of the total DES sales volume in India. We are among the top five companies in terms of market share (by sales volume of DES) in each of Germany, Netherlands, Italy and Poland, as of March 31, 2021 (*Frost & Sullivan*). We have a direct and distributor sales presence in more than 69 countries including direct presence in countries such as Germany, Poland, Spain, France, UK and Brazil. Currently we offer products that are used in: (i) interventional cardiology, i.e., devices used for the treatment of blockages in heart vessels (coronary artery disease), such as coronary stents and catheters; (ii) structural heart therapy, i.e., devices used for treatment of abnormalities in the tissues, walls, and valves of the heart, such as transcatheter aortic valve implants ("**TAVI**") and occluders; and (iii) peripheral intervention, i.e., devices used for treatment of blockages in the blood vessels other than those of the heart, such as renal stents.

Our Company was founded by Mr. Dhirajlal Kotadia who grew up as a young boy through the plight of poverty. As an adult, Mr. Kotadia was moved after witnessing a poor man struggling to pay for his dying wife's medicines. This event inspired Mr. Kotadia to create a company that would focus on making critical life-saving products accessible to the masses that ultimately led to him establishing our Company in 2001. Our Company has been driven by our "*Pledge to Save Millions*" – millions of lives, and millions of Rupees for millions of families around the world. Under Mr. Kotadia's leadership, our Company became the first company in the world to receive CE certification for a DES with a biodegradable polymer and we also launched one of the lowest strut thickness stents with a 60-micron thickness (*Frost & Sullivan*).

We believe that our ongoing research and development ("**R&D**") efforts enable us to continue to develop innovative and technologically advanced products while our operational scale helps us produce products that are affordable for the masses. We constantly seek to enhance our existing products and portfolio while optimizing our

manufacturing processes for greater efficiencies. We operate three research and development facilities, located in Surat, India, Galway, Ireland and Nonthaburi, Thailand. Our R&D efforts have led to the development of several key technologies in the vascular devices industry, including our biodegradable polymer in 2005 and our ultra-thin stent, with a 60-micron strut thickness, and our Supraflex Cruz coronary stent, which is considered to be the most deliverable stent (*Frost & Sullivan*). We aim to continue to develop new technologically advanced products and protect our innovations and intellectual property. As of March 31, 2021, we have been granted 67 patents globally with a pipeline of additional 17 patents and four design registrations in India. For further information, see "*Our Business – Research and Development*" on page 177.

Our portfolio is led by our flagship coronary stent, *Supraflex Cruz.* In 2016, we initiated a randomized clinical trial that compared our stent, *Supraflex*, against that of a global leading stent manufacturer. The trial demonstrated that *Supraflex*'s clinical performance was non-inferior from a safety perspective and numerically superior from an efficacy perspective to the globally leading brand. In 2018, we introduced a next generation of *Supraflex*, '*Supraflex Cruz*', which is considered to be the most deliverable stent (*Frost & Sullivan*). We believe that the strong combination of clinical performance of *Supraflex Cruz*, combined with its advanced deliverability, has resulted in our market leadership in India and fast growth in Europe and other international markets.

We own and operate two manufacturing facilities in India located at Surat and Bengaluru; where we manufacture products for interventional cardiology and peripheral intervention, and one overseas facility at Nonthaburi in Thailand where we manufacture products for structural heart therapy. We believe our manufacturing infrastructure is a competitive advantage as it allows us to keep product costs down while expediting the design and development of new products. In addition, we are in the process of setting up a new research, development and manufacturing campus in Hyderabad, India to expand our capacity and capabilities. For further information, see "*Our Business – Manufacturing Facilities and Capacity*" on page 173.

We recently expanded our product portfolio and entered the structural heart therapy segment through the acquisition of Vascular Concepts and Vascular Innovations in 2020. This acquisition gave us access to *Hydra TAVI*, a unique transcatheter heart valve implant to treat severe aortic stenosis in high-risk, patients. We intend to continue to develop *Hydra TAVI* to expand our total addressable market and enter the growing heart valve market which will be a driver of our future growth. For further details of this acquisition, see "*History and Other Corporate Matters*" on page 185. The global structural heart devices market size was valued at US$5.67 billion in 2020 and is expected to reach US$10.11 billion by 2026, growing at a CAGR of 9.0% during 2021 to 2026 and the structural heart device market in India was estimated to be US$12.4 million 2020 and is expected to grow at a CAGR of 31.0% from 2021 to 2026, reaching US$71.1 million in 2026 (*Frost & Sullivan*).

We have a qualified and experienced 11-member management team, who have been with our Company for an average of eight years, and have experience ranging from 10 to 20 years in their respective areas of operation. We believe that one of the key drivers of the strong performance of our Company is our management team.

In Fiscals 2019, 2020 and 2021, our revenue from operations was ₹3,261.15 million, ₹4,799.09 million and ₹5,885.21 million, respectively. Our revenue from operations has grown at a CAGR of 21.74% from Fiscal 2019 to Fiscal 2021. Set out below is the contribution of each of our business verticals to our revenue from operations.

(*₹ million*)

Particulars	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**
Interventional cardiology	3,168.89	4,344.89	5,021.33
Structural heart therapy	-	32.46	345.57
Peripheral intervention	29.07	166.45	187.39
Others	30.65	173.41	283.74
Other Operating Income	32.53	81.88	47.17
Total	**3,261.15**	**4,799.09**	**5,885.21**

Set out below are details of our revenue from operations according to geography.

(*₹ million*)

Particulars	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**
India	2,472.56	2,953.04	3,118.77

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021
Europe (including RCIS)	284.04	642.52	1,264.12
Asia Pacific (except India)	52.20	152.15	410.82
Latin America ("**LATAM**")	60.28	443.09	557.72
Middle East and Africa ("**MEA**")	359.54	526.41	486.61

In Fiscals 2019, 2020 and 2021, our material margin was 84.49%, 76.09% and 73.12%, respectively. In Fiscals 2019, 2020 and 2021, our Adjusted EBITDA[*] was ₹546.51 million, ₹557.31 million and ₹478.00 million, respectively. In Fiscals 2019 and 2020, our Restated Profit after tax was ₹334.30 million, ₹254.35 million, respectively and in Fiscal 2021, we had a Restated loss after tax of ₹723.38 million.

[*] *Adjusted EBITDA i.e., earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance costs, depreciation and amortization expense, exceptional items and total tax expense to the Restated Profit/(loss) for the year. Accounting and other ratios have been derived from the Restated Financial Information. Adjusted EBITDA is a non-GAAP measure. Please see "Management's Discussion and Analysis of Financial Condition and Results of Operation – Non-GAAP Measures" on page 304 for a reconciliation of Adjusted EBITDA calculated from the Restated Consolidated Financial Information.*

Significant Factors Affecting our Financial Condition and Results of Operations

Marketing and sale of our products

We have an extensive sales and distribution network with direct presence in 10 countries across Asia, Europe and Latin America and distributors in 59 countries. Our global sales and marketing team comprises more than 60 personnel as of March 31, 2021. Our distribution network consists of 28 distributors in India and over 67 international distributors, as of March 31, 2021. We also had 37 branches across India, as of March 31, 2021, operating as logistic centers and/ or offices through which we marketed and sold our products. Internationally, we have established a strong distribution network in Europe, LATAM, MEA and Asia Pacific, and we are among the top five companies in terms of market share (by DES sales volume) in each of Germany, Poland, Netherlands and Italy, as of March 31, 2021, which are catered through our distribution network (*Source: Frost & Sullivan*). Across markets, our distributors are supported by a dedicated sales team that seeks to engage with leading local physicians while building our brand. We extend further support to our distributors through active marketing, including direct participation in regional conferences and scientific programs.

We constantly seek to grow our product reach to underpenetrated geographies, increase the penetration of our products in markets in which we are currently present and widen the portfolio of our products available in those markets by growing our distribution network. Our success is dependent on our ability to successfully tie up with or appoint new distributors to expand our network and effectively manage our existing distribution network. However, we may not be successful in appointing new distributors to expand our network or increase our market presence. Further, we may also face disruptions in the delivery of our products for various reasons such as termination of any distributor agreements, poor handling of our products by distributors, transportation bottlenecks, competition activities, labor issues, natural disasters, which could lead to delayed or lost deliveries. In addition, in India, we have been transitioning from a direct go-to-market business model to a distributor model, which may result in disruptions to our business.

Impact of COVID-19

The COVID-19 pandemic and the measures imposed to contain this pandemic have disrupted and are expected to continue to impact our business. As a result of the COVID-19 pandemic, we faced disruptions in the supply of certain raw materials and components, including consumables, medical grade oxygen and balloon catheters, and increase in the prices for certain raw materials and components, such as gloves, sanitizers and medical grade oxygen along with a rise in transportation costs. We also faced labour shortages and our sales force were not permitted to visit physicians in hospitals owing to the restrictions imposed on account of the COVID-19 pandemic. In addition to the disruptions to our operations, the pandemic has also resulted in a delay in collections from our distributors and customers. Our capital expenditure plans, including our (i) USFDA trials; (ii) integration of Vascular Innovations with our Company; (iii) R&D efforts for Hydra improvement projects; and (iv) setting up of an integrated manufacturing facility and R&D centre in Hyderabad, have faced certain delays due to the COVID-19 pandemic. Despite the impact of COVID-19, our financial performance in Fiscal 2021 has been well-sustained, with our revenue from operations in Fiscal 2021 amounting to ₹5,885.21 million, as compared with our revenue from operation prior to the COVID-19 pandemic, in Fiscal 2020 which amounted to ₹4,799.09 million.

In addition, there has been a reduction in footfall in in-patient departments of hospitals due to patients deferring elective and non-urgent procedures, and our business, operations and financial performance have been affected as a result. In particular due to a substantial increase in the number of COVID-19 cases in India from March 2021, the number of elective and non-urgent procedures decreased and consequently, our revenues from sale of our products also decreased during the first half of 2021.

The magnitude of the impact of the COVID-19 pandemic on our productivity, results of operations and financial position, and its disruption to our business and our capital expenditure plans, will depend, in part, on the length and severity of these restrictions and on our ability to conduct business in the ordinary course. We will continue to assess the potential impact of the COVID-19 pandemic on our business, financial condition, and results of operations.

Availability and cost of raw materials

Our cost of raw materials consumed constitutes one of the largest components of our total expenses. In Fiscals 2019, 2020 and 2021, our materials and related costs (consisting of cost of materials consumed, purchase of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress), amounted to ₹505.83 million, ₹1,147.35 million and ₹1,582.11 million, respectively, accounting for 15.06%, 23.40% and 26.73%, respectively, of our total income in the same periods. We rely on third-party suppliers for certain raw materials and components, and the main raw materials and components used in the manufacture of our products include metal tubes, plastic tubes, drugs and polymers. We import metal & plastic tubes and certain other accessories from regions such as Europe & US. Raw material supply and pricing can be volatile due a number of factors beyond our control, including global demand and supply, transportation and labor costs, labor unrest, natural disasters, import duties, tariffs and currency exchange rates, and any unanticipated variation in any of these factors could have a material adverse effect on our operations.

We identify and approve multiple suppliers to source our key raw materials and we place purchase orders with them from time to time. As we continue to grow our product portfolio and increase our production capacities, we believe we will benefit from increasing economics of scale. However, we would also need to procure higher volumes of raw materials, and although we endeavor to enter into long-term contracts with certain critical vendors, we do not always enter into long-term supply contracts with our suppliers. We are thus exposed to fluctuations in availability and prices of our raw materials, including on account of exchange rate fluctuations, and we may not be able to effectively pass on any increase in cost of raw materials to our customers, which may affect our margins, sales, results of operations and cash flows.

Continued investment in R&D and launch of new products

Our business relies significantly on our R&D capabilities including our ability to continuously develop innovative and technologically advanced products. The main objectives of our R&D initiatives are to develop an innovative and diversified range of vascular devices, while improving the features and performance of existing products, and enhancing process efficiencies. We have invested substantial effort, funds and other resources towards our R&D activities. We operate three R&D facilities, located in Surat, India, Galway, Ireland and Nonthaburi, Thailand. Our focus on R&D has led to the development of several key technologies in the vascular devices industry, including our biodegradable polymer, ultra-thin stent with a 60-micron strut thickness, and *Supraflex* Cruz, recognized as the most deliverable stent (*Frost & Sullivan*). Additionally, we have been granted 67 patents globally with an additional 17 patents in the pipeline and four design registrations in India as a result of our intensive R&D efforts. The development of any new products and enhancement of existing products requires significant investment in R&D and involves a high degree of business risk. In Fiscals 2019, 2020 and 2021, total expenditure on Research and Development Expenses including expenses incurred towards USFDA approval/ clinical trials was ₹579.94 million, ₹1,002.79 million and ₹863.50 million, respectively, accounting for 17.78%, 20.90% and 14.67%, respectively, of our revenue from operations in the same periods. For information in relation to R&D expenses, see "*Financial Information – Restated Consolidated Financial Information – Note 41: Disclosure for Research & Development*" on page 272. Our business, financial and operating results have been and will continue to be affected by our ability to continue to launch new, innovative products. Accordingly, we intend to continue investing in existing and new technologies to further improve and develop products and expect our R&D expenditures to increase as we make additional investments to support our growth strategies. If, however, our future innovations are not successful in meeting customers' needs or prove to be too costly relative to their perceived benefit, we may not be successful. Moreover, as cost of products sold, operating expenses and capital expenditures fluctuate over time, we may experience short-term, negative impacts to our results of operations and cash flows.

The R&D process is also often time consuming and the commercialization of any new product requires certain government approvals, the timing of which may not be under our control, and is subject to change from time to time. Our ability to grow our revenue will depend on our obtaining necessary regulatory approvals or clearances in the countries in which we market our products. Since Fiscal 2020, we have initiated the process to seek USFDA clearance for *Supraflex Cruz* and *Pipit*, and our expenses for USFDA approval amounted to ₹110.13 million and ₹137.48 million in Fiscals 2020 and 2021, respectively. Further, due to the time it takes to develop a product and obtain approvals from regulators, the competitive landscape for such products may change or differ significantly from what was anticipated, and our products may not hold the competitive advantages in pricing or efficacy that we had anticipated during development. As a result, our investment in R&D could result in higher costs without a proportionate increase in revenues. In addition, we must adapt to rapid changes in the industry in which we operate, due to technological advances and scientific discoveries. The cost of implementing new technologies, upgrading our manufacturing facilities and retaining our R&D team could be significant and could affect our profitability.

Ability to integrate strategic partnerships and acquisitions

We have in the past, and may in the future, enter into and undertake strategic partnerships and acquisitions of complementary businesses, products or technologies. For example, we acquired and successfully integrated (i) Vascular Concept and Vascular Innovations in May 2020 and entered the structural heart therapy segment; (ii) Imex in June 2019, which was our distributor in Spain; and (iii) Zarek in September 2019, a sales and marketing company with a portfolio of interventional cardiology and endovascular products based in Brazil, which was also our distributor. Additionally, in 2018, we entered into a strategic partnership with Cardinal Health Medical Products India Limited, through which we have the rights to distribute their Cordis line of cardiovascular and endovascular products in India. We intend to continue to evaluate strategic partnership and acquisition opportunities that have the potential to fast track our entry into advanced products with high growth potential, strengthen our R&D and manufacturing capabilities or provide us with an entry into a large vascular device market such as the U.S. or Japan. Identifying suitable partnerships and acquisitions opportunities can be difficult, time consuming and costly. The benefits and costs arising from our acquisitions or partnerships affect our results of operations and cash flows.

Personnel costs

Employee benefit expenses constitute a significant portion of our operating expenses. Our employee benefit expense amounted to ₹721.58 million, ₹1,009.21 million and ₹1,359.66 million in Fiscals 2019, 2020 and 2021, respectively, accounting for 21.48%, 20.58% and 22.97%, respectively, of our total income in the same periods. The number of our full-time employees increased from 586 as of March 31, 2019 to 964 as of March 31, 2021. We expect our employee benefit expenses to increase in the future as retaining the services of our skilled employees, including sales persons across different geographies is in line with our growth strategy. Employee benefit expenses primarily includes salaries, wages and bonus, staff welfare expenses, contribution provident and other funds, and gratuity expense. These costs are subject to certain factors that are out of our control, including amendments to the minimum wage laws and other employee benefit laws in India. Rising wages in India may have a material impact on our net revenues. If we are unable to efficiently manage our personnel costs, it could have a significant impact on our results of operations and financial condition.

Changes in Regulatory framework

Our products, marketing, sales and development activities and manufacturing processes are subject to extensive and rigorous regulation by regulatory authorities across geographies, and we are required to maintain various regulatory approvals in connection with our business activities. Changes in Government policy, legislation, regulatory interpretation or enforcement applicable to us may lead to a significant increase in compliance obligations and costs.

In India, we are required to comply with various legislations including the Medical Devices Rules, 2017, Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1945. Globally, our products are required to adhere to the regulatory requirements of each country to which the products are exported to. Most countries require that product approvals be renewed or recertified on a regular basis. The renewal or recertification process requires that we evaluate any device changes and any new regulations or standards relevant to the device and conduct appropriate testing to document continued compliance. In the United States, medical devices must be cleared or approved by the USFDA or an exemption from such clearance or approval must be obtained before they can be

commercially marketed in the U.S. In the European Union, we are required to comply with the new EU MDR with effect from May 2020. We are also subject to other laws and regulations which are applicable to manufacturers in general and if there is any change in these laws and regulations, our results of operations may be adversely affected.

Regulations regarding the development, manufacture and sale of medical devices are evolving and subject to future change. Further, regulatory authorities actively monitor compliance with local laws and regulations through review and inspection of design and manufacturing practices, recordkeeping, reporting of adverse events, labeling and promotional practices. Regulatory authorities can ban certain medical devices, detain or seize misbranded medical devices, prevent replacement or refund of these devices and require notification of health professionals and others with regard to medical devices that present unreasonable risks of substantial harm to the public health. We must also ensure that government and other regulatory agencies do not withdraw approvals for the sale of our existing products. In addition, prices for medical devices are subject to regulations in India as well as certain other countries in which we operate. Regulatory authorities may also impose pricing controls that apply to our products. The existence of price controls can limit the revenues we earn from our products. The evolving and complex nature of regulatory requirements, the broad authority and discretion of the regulatory authorities and the generally high level of regulatory oversight results in the continuing possibility that our development of new products and manufacturing of existing products may be restricted.

Foreign exchange fluctuations

As a result of our international operations, certain portions of our revenues and expenditure are influenced by (i) the currencies of those countries where we sell our products (for example, countries in Europe, South-East Asia, the Middle East and South America), where we sell our products in the local currency; (ii) currencies of countries from where we procure our raw materials and components, which are primarily in U.S. Dollars or Euros; and (iii) the currencies of countries where our foreign Subsidiaries are located. Our revenue from sale of products outside India accounted for 23.42%, 37.40% and 46.58% of our total revenue from operation and we imported 62.52%, 65.27% and 72.94% of our raw material requirement in Fiscals 2019, 2020 and 2021, respectively. Since our reporting currency is Indian rupee, all foreign currency transactions including sales, purchases and expenses are translated into Indian rupees. We are also required to translate the financial statements of our foreign Subsidiaries from their respective currencies to Indian Rupees for the purposes of our Restated Consolidated Financial Information.

In view of the fluctuation in the value of the Indian Rupee against foreign currencies, we are impacted by foreign exchange risk. The value of the Indian Rupee against foreign currencies is affected by, among other things, the demand and supply of the Indian Rupee and changes in India's political and economic conditions. We have not entered into any forward exchange contracts or other arrangements to hedge our exposure to currency fluctuations. As of March 31, 2021, our total unhedged foreign currency exposure amounted to ₹ 305.97 million, while we did not have any outstanding forward exchange contracts. These factors may expose us to exchange rate movements, which may have a material effect on our operating results in a given period.

Critical Accounting Policies

Basis of Consolidation

The Restated Consolidated Financial Information comprise the financial statements of our Company and Subsidiaries (collectively, the "**Group**") as listed below:

Name of entity	**Country***	**Ownership in % (either directly or through subsidiaries)**		
		As of March 31, 2019	**As of March 31, 2020**	**As of March 31, 2021**
Indian Subsidiaries				
SMT Cardiovascular Private Limited	India	NA	100%	100%
Vascular Concepts Ltd (Acquired)#	India	NA	NA	100%
Foreign Subsidiaries				
Sahajanand Medical Technologies Ireland Limited	Ireland	100%	100%	100%
SMT Germany Gmbh	Germany	NA	100%	100%
SMT Switzerland AG	Switzerland	NA	100%	100%

Name of entity	Country*	Ownership in % (either directly or through subsidiaries)		
		As of March 31, 2019	As of March 31, 2020	As of March 31, 2021
SMT Polonia SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	Poland	NA	100%	100%
SMT CIS LLC	Russia	NA	100%	100%
Sahajanand Medical Technologies Iberia SL# (merged with IMEX Salud S.L. in Fiscal Year 2019-20)	Spain	100^	NA	NA
Sahajanand Medical Technologies Iberia SL# (formerly known as IMEX Salud S.L. in Fiscal Year 2019-20)	Spain	NA	89%	89%
SMT Importadora E Distribuidora De Produtos Hospitalares Ltda. (Brazil) (formerly known as Zarek Distribuidora De Produtos Hospitalares Eireli Av.) (Acquired)#	Brazil	NA	75%	75%
SMT France SAS	France	NA	100%	100%
SMT USA Ltd	USA	NA	NA	100%
Vascular Innovation Company Ltd (Acquired)#	Thailand	NA	NA	100%

* *Principal place of business/country of incorporation*

Refer to note 37 of the Restated Consolidated Financial Information for disclosures on the business combination.

^ *Business operations have not commenced*

Summary of Significant Accounting Policies

(a) Use of Estimates

The preparation of Restated Consolidated Financial Information in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent liabilities at the date of the Restated Consolidated Financial Information and the results of operations during the year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(b) Inventories

Inventories including Work-in-Progress are valued at cost or net realisable value, whichever is lower, cost being worked out on weighted average basis. Cost includes all charges for bringing the goods to their present location and condition.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(c) Revenue Recognition

Revenue from sale of goods is recognized on satisfaction of performance obligation upon transfer of control over promised goods to the customer for an amount that reflects the consideration that the Group expects to receive in exchange for those goods. The control of goods is transferred to the customer at the point in time depending upon agreed terms with customer. Control is considered to be transferred to the customer when the customer has ability to direct the use of such goods and obtain substantially all the benefits from it. Revenue is recognised net of trade discounts, rebates and other similar allowances. Revenue excludes indirect taxes which are collected on behalf of Government.

Revenue from sale of goods is recognised at the point in time when control is transferred to the customer. Indicators that control has been transferred include, the establishment of the Group's present right to receive payment for the goods sold, transfer of legal title to the customer, transfer of physical possession to the customer, transfer of significant risks and rewards of ownership in the goods to the customer, and the acceptance of the goods by the customer. The revenue on consignment sales is recognised on satisfaction of the above conditions.

Contract liabilities, which is a company's obligation to transfer goods or services to a customer for which the entity has already received consideration, relate mainly to advance. Contract liabilities are recognised as revenue when the Company performs under the contract.

Other Income

Dividend & Interest Income:

Dividend Income is accounted when right to receive the dividend is established.

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the effective interest rate applicable

(d) Business combination

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are generally measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Restated Consolidated Statement of Profit and Loss.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

The payments related to options issued by the Group over the non-controlling interests in its subsidiaries are accounted as financial liabilities and initially recognized at the estimated present value of gross obligations. Such options are subsequently measured at fair value in order to reflect the amount payable under the option at the date at which it becomes exercisable.

In the event that the option expires unexercised, the liability is derecognized. Business combinations between entities under common control are accounted for at carrying value of the assets and liabilities in the Group's Restated Consolidated Financial Information.

Transaction costs that the Group incurs in connection with a business combination such as, finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

(e) Property, Plant and Equipment

Assets are carried at acquisition cost, less accumulated depreciation and accumulated impairment losses, if any.

Costs comprise of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to their intended use.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

When significant components of plant and equipment are replaced separately, the Group depreciates them based on the useful lives of the components. Leasehold land is depreciated on a straight line basis over the period of the lease. All other assets are depreciated to their residual values on written-down value basis over their estimated useful lives. Estimated useful lives of the assets are as follows:

Description of the asset	Estimated Useful Life (Years)
Building	30-60
Leasehold Building	16*
Electrical Installation	5-10
Plant and Machinery	15
Furniture and Fixtures	10
Office Equipment	5-7
Computers (End user device)	3-4
Computers (Servers and networks)	6
Vehicles (Other than Motor cycles, scooters and other mopeds)	5-8
Vehicles (Motor cycles, scooters and other mopeds)	10

*Leasehold Improvements are amortised over the period of lease.

(f) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Restated Consolidated Statement of Profit and Loss.

Goodwill on acquisition of the foreign subsidiaries is restated at the rate prevailing at the end of the year.

(g) Other Intangible Assets

Intangible assets purchased including acquired in business combination are measured on initial recognition at cost. Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets with finite lives are amortised over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and method are reviewed at least at each financial year-end.

The useful lives of intangible assets are as mentioned below:

Description of the asset	Estimated Useful Life (Years)
Computer Software	3
Patents and Trademarks	3
Customer Relationship	7
Brand and Technologies	7
Non Compete	4
Distribution Network	3
Development Cost	5

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an individual project is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of

resources to complete the asset and the ability to measure reliably the expenditure during the development.

During the period of development, the asset is tested for impairment annually. Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when the development is complete and the asset is available for use. It is amortised over the period of expected future sales or use.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(h) Financial Instrument

Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized by the Group when it becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial instrument are adjusted to fair value, except where the financial instrument is measured at fair value through profit or loss, in which case the transaction costs are immediately recognized in profit or loss.

Financial assets

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short- term balances (with an original maturity of three months or less from the date of acquisitions), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs

directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities and equity instruments

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequent to initial recognition, measured at amortised cost using the effective interest (EIR) method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments recognised by the Group are recognised at the proceeds received net of direct issue cost.

Derecognition of financial instruments

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

Fair value measurement

When the fair values of financial assets or financial liabilities recorded or disclosed in the Restated Consolidated Financial Information cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(i) Foreign Currency Transactions

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency

amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are translated at the end of accounting year. Exchange differences on translation of all other monetary items are recognised in profit or loss.

(j) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund, and compensated absences.

Defined Contribution Plans: Contribution towards provident fund and employees' state insurance for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The Company's liability towards gratuity is determined based on the present value of the defined benefit obligation and fair value of plan assets and the net liability or asset is recognized in the Restated Consolidated Statement of Assets and Liabilities. The net liability or asset represents the deficit or surplus in the plan (the surplus is limited to the present value of the economic benefits available in the form of refunds from the plan or reductions in future contributions). The present value of the defined benefit obligation is determined using the projected unit credit method, with actuarial valuations being carried out at each year end. Defined benefit costs are composed of:

(i) service cost – recognized in profit or loss;

(ii) net interest on the net liability or asset - recognized in profit or loss;

(iii) remeasurement of the net liability or asset - recognized in other comprehensive income

Other long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the reporting date.

(k) Leases

The Group evaluates each contract or arrangement to determine whether it qualifies as lease as defined under Ind AS 116.

A contract is, or contains, a lease if the contract involves:

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset, and

(c) the right to direct the use of the identified asset.

The Group as a lessee

The Group at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The Group applies Ind AS 36 to determine whether a Right-of-Use asset is impaired and accounts for any identified impairment loss in profit or loss as described in the Note 2(p) below.

For lease liabilities at inception, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in the Restated Consolidated Statement of Profit and Loss. For short-term, and low value leases, the Group recognizes the lease payments for such items in profit or loss as an operating expense on a straight-line basis over the lease term in the period in which the condition that triggers those payments occurs.

Lease payments (other than short term and low value leases) have been classified as cash used in financing activities in the Restated Consolidated Statement of Cash Flows.

Lease payments for short-term, and low value leases, have been classified as cash used in operating activities in the Restated Consolidated Statement of Cash Flows.

The Group has not given assets on lease to others.

(l) Current and Deferred Tax

Income tax expense comprises current tax expense and the net change during the year, in the deferred tax asset or liability. Current and deferred taxes are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or in equity, in which case the related current and deferred tax are also recognised in other comprehensive income or in equity, respectively.

Current and Deferred Taxes are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Tax assets and tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts.

(i) Current income tax

Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

(ii) Deferred tax

Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a

transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(m) Impairment of Assets

Property, plant and equipment and intangible assets with finite lives are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined for the individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and an impairment loss is recognised in profit or loss.

(n) Provisions and Contingent Liabilities and Contingent Assets

Provisions: Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is not recognised but disclosed where an inflow of economic benefits is probable.

(o) Segment reporting

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group for the purpose of performance assessment and to make decisions for resource allocation.

The reporting of segment information in the Restated Consolidated Financial Information is the same as provided to the management for the purpose of performance assessment and resource allocation to the segments.

Segment accounting policies are in line with accounting policies of the Group. Further, the Group has not identified any segment other than geographical segment. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses/income".

(p) Exceptional Items

Exceptional items refer to items of income or expense within the income statement from ordinary activities which are material and non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group and to assist users of the Restated Consolidated Financial Information.

(q) Export Benefit

Government grant receivable in the form of duty credit scrips is recognised as other operational income in the Restated Consolidated Statement of Profit and Loss in the period in which the accrued for and when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

(r) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit and Loss using the effective interest method.

(s) Key Sources of Estimation

The preparation of the Restated Consolidated Financial Information in conformity with Ind AS requires that the management of the Group makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the Restated Consolidated Financial Information. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment and intangible assets, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Restated Consolidated Financial Information and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once a year. The lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Depreciable lives are reviewed at least annually using the best information available to the Management.

Employee benefit plan

The present value of defined benefit obligations is determined on an actuarial basis using a number of underlying assumptions, including the discount rate and expected increase in salary costs. Any changes

in these assumptions will impact the carrying amount of obligations.

Impairment of financial assets

The impairment provision for financial assets (other than trade receivables) are based on assumptions of risk of default and expected loss rates. The Group makes judgements about these assumptions for selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Trade receivables are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts which are based on the aging of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them as not collectible.

Income Taxes

Provision for current and deferred tax liabilities is dependent on the management's estimate of the allowability or otherwise of expenses incurred and other debits to profit or loss. Deferred tax assets (including MAT recoverable) are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Impact of COVID-19

The management has assessed the potential impact of the COVID-19 on the Restated Consolidated Financial Information of the Group. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information. Based on the assessment performed by the Group, and based on current estimates, the Group expects the carrying amount of these assets will be recovered. The impact of the global health pandemic may be different from that estimated as at the date of approval of these Restated Consolidated Financial Information and the Group will continue to closely monitor any material changes to future economic conditions.

Goodwill

The Group records all intangible assets including goodwill acquired as part of a business combination at fair value. In relation to business combinations, judgement is required to be exercised on determining the fair values, identification and measurement of assets acquired and liabilities assumed, in allocation of purchase consideration, in deciding the amortisation policy and on tax treatment of goodwill and intangible assets acquired. Judgement is also required to be exercised as regards the manner in which the carrying amount of goodwill is likely to be recovered for deferred tax accounting purposes.

Appropriate independent professional advice is also obtained, as necessary. Goodwill is subjected to annual tests of impairment in line with the accounting policy (refer note 3(B)).

(t) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 36

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the. number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve. The amounts recorded in share options outstanding account are transferred to share capital and securities premium as appropriate upon exercise of stock options and transferred to general reserve on account of stock options not exercised by employees.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

(u) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(v) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

Key Components of our Statement of Profit and Loss

The following descriptions set forth information with respect to the key components of our profit and loss statement.

Income

Total income consists of revenue from operations and other income.

Revenue from Operations

Revenue from operations primarily accounts for the sale of products from our business verticals, namely:

i. Interventional cardiology vertical comprising of stents, catheters and accessories.
ii. Structural heart therapy comprising TAVI and occluders.
iii. Peripheral intervention comprising balloon expandable cobalt chromium renal and biliary stent system, peripheral implants and accessories.
iv. Others comprising of various trading products

Additionally, revenue from operations includes other operating income, which is primarily export related incentives (MEIS).

Other income

Other income primarily includes interest income on bank deposits and others, write-back of provisions that are no longer required, and net foreign exchange gain.

Cost of materials consumed

Cost of materials consumed primarily includes cost of raw materials such as metal tubes, plastic tubes, drugs and polymers.

Purchases of Stock-in-Trade

Purchases of stock-in-trade primarily consist of cost of acquiring third party products distributed by us.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Changes in inventories of finished goods, work-in-progress and stock-in-trade reflects the difference between our inventories at the start of the year and the end of the year.

Employee benefits expense

Employee benefits expense primarily consists of salaries, wages and bonus, staff welfare expenses, contribution to provident and other funds, gratuity expense and share based payment expenses.

Finance costs

Finance costs primarily consist of interest expense, interest on lease liability and other borrowing costs.

Depreciation and amortization expense

Depreciation and amortization expense primarily relates to depreciation of our property, plant and equipment and amortization of intangible assets.

Other expenses

Other expenses primarily consists of clinical trial expenses, legal and professional fees, sales and marketing expenses, conference expense, expenses for USFDA approval (including consumption and overheads, clinical trial expenses, technical advisory fees), commission and brokerage, travelling expenses, freight and forwarding expenses and testing expenses.

Results of Operations

The following table sets forth certain information with respect to our results of operations on a consolidated basis for years ended March 31, 2019, March 31, 2020 and March 31, 2021:

Particulars	For the Year ended 31 March, 2019		For the Year ended 31 March, 2020		For the Year ended 31 March, 2021	
	(₹ million)	% of total income	(₹ million)	% of total income	(₹ million)	% of total income
Income						
Revenue from Operations	3,261.15	97.07%	4,799.09	97.88%	5,885.21	99.42%
Other income	98.30	2.93%	103.97	2.12%	34.38	0.58%
Total income	**3,359.45**	**100.00%**	**4,903.06**	**100.00%**	**5,919.59**	**100.00%**
Expenses						
Cost of materials consumed	447.99	13.34%	823.78	16.80%	931.80	15.74%
Purchases of Stock-in-Trade	273.27	8.13%	481.89	9.83%	586.98	9.92%
Changes in inventories of finished goods, stock-in-trade and work-in- progress	(215.43)	(6.41)%	(158.32)	(3.23)%	63.33	1.07%
Employee benefits expense	721.58	21.48%	1,009.21	20.58%	1,359.66	22.97%
Finance costs	70.10	2.09%	86.83	1.77%	203.73	3.44%
Depreciation and amortization expense	122.68	3.65%	195.92	4.00%	354.16	5.98%
Other expenses	1,487.23	44.27%	2,085.22	42.53%	2,465.44	41.65%
Total expenses	**2,907.42**	**86.54%**	**4,524.53**	**92.28%**	**5,965.10**	**100.77%**
Restated Profit/(Loss) before exceptional items and tax	**452.03**	**13.46%**	**378.53**	**7.72%**	**(45.51)**	**(0.77)%**
Exceptional items	-	-	-	-	407.41	6.88%
Restated Profit/(Loss) before tax	**452.03**	**13.46%**	**378.53**	**7.72%**	**(452.92)**	**(7.65)%**
Tax expense						
Current tax	133.49	3.97%	149.89	3.06%	201.36	3.40%

Particulars	For the Year ended 31 March, 2019		For the Year ended 31 March, 2020		For the Year ended 31 March, 2021	
	(₹ million)	% of total income	(₹ million)	% of total income	(₹ million)	% of total income
Deferred tax expense/ (credit)	(15.76)	(0.47)%	(25.71)	(0.52)%	(24.19)	(0.41)%
Tax related to earlier periods	-	-	-	-	93.29	1.58%
Total tax expense	**117.73**	**3.50%**	**124.18**	**2.53%**	**270.46**	**4.57%**
Restated Profit/(Loss) after tax	**334.30**	**9.95%**	**254.35**	**5.19%**	**(723.38)**	**(12.22)%**
Other comprehensive (income)/ loss						
Items that will not be reclassified subsequently to restated consolidated statement of profit or loss						
Re-measurement of defined benefit obligation	(2.41)	(0.07)%	(10.60)	(0.22)%	13.62	0.23%
Income tax on above	0.73	0.02%	3.05	0.06%	(3.27)	(0.06)%
Items that will be reclassified subsequently to restated consolidated statement of profit or loss						
Exchange loss on translation of financial statements of foreign operations	(2.83)	(0.08)%	(110.77)	(2.26)%	(148.11)	(2.50)%
Total Other comprehensive Income/(loss)	**(4.51)**	**(0.13)%**	**(118.32)**	**(2.41)%**	**(137.76)**	**(2.33)%**
Restated Total comprehensive income/(Loss)	**329.79**	**9.82%**	**136.03**	**2.77%**	**(861.14)**	**(14.55)%**

Fiscal 2021 compared to Fiscal 2020

Our results of operations for Fiscal 2021 were affected by the following key factors:

- In Fiscal 2021, our Company acquired (directly and indirectly through representatives) 100% voting interests in Vascular Concepts Limited, an Indian company, for a total cash consideration of ₹687.29 million and SMT Ireland, our wholly owned Subsidiary, acquired (directly and indirectly through representatives) 100% voting interests in Vascular Innovations Co. Ltd., a Thailand based company, for a total cash consideration of ₹1,064.08 million and entered the structural heart therapy segment. For further information, see "*Financial Information – Restated Consolidated Financial Information – Note 37: Business Combinations*" on page 264.

Total Income. Our total income increased by 20.73% from ₹4,903.06 million in Fiscal 2020 to ₹5,919.59 million in Fiscal 2021 primarily due to an increase in revenue from operations.

Revenue from operations. Our revenue from operations increased by 22.63% from ₹4,799.09 million in Fiscal 2020 to ₹5,885.21 million in Fiscal 2021, primarily due to an increase in sale of products. Sale of products increased by 23.76% from ₹4,717.21 million in Fiscal 2020 to ₹5,838.04 million in Fiscal 2021 primarily on account of an increase in sales due to the acquisitions in the Fiscal 2021 and due to an overall increase in sales of products by subsidiary companies.

Other operating income decreased by 42.39% from ₹81.88 million in Fiscal 2020 to ₹47.17 million in Fiscal 2021 primarily due to the discontinuation of MEIS export incentive scheme by the Government of India.

The following table sets forth the contribution of each of our business verticals to our revenue from operations for the periods indicated:

Particulars	For the Year ended 31 March, 2020		For the Year ended 31 March, 2021	
	(₹ million)	% of total revenue from operations	(₹ million)	% of total revenue from operations
Interventional cardiology	4,344.89	90.54%	5,021.33	85.32%
Structural heart therapy	32.46	0.68%	345.57	5.87%
Peripheral intervention	166.45	3.47%	187.39	3.18%
Others	173.41	3.61%	283.74	4.82%
Other Operating Income	81.88	1.71%	47.17	0.80%
Total revenue from operations	**4,799.09**	100.00%	**5,885.21**	100.00%

Other income. Other income decreased by 66.93% from ₹103.97 million in Fiscal 2020 to ₹34.38 million in Fiscal 2021, primarily due to decrease in interest income on financial instruments measured at amortised cost for Bank

Deposits by 75.63% from ₹65.37 million in Fiscal 2020 to ₹15.93 million in Fiscal 2021 and net foreign exchange gain by 95.94% from ₹31.02 million in Fiscal 2020 to ₹1.26 million in Fiscal 2021 on account of revaluation of loans and trade receivables.

Expenses. Total expenses increased by 31.84% from ₹4,524.53 million in Fiscal 2020 to ₹5,965.10 million in Fiscal 2021 primarily due to an increase in employee benefits expense and other expenses, in line with 22.63% increase in our revenue from operations.

Materials and related costs. Materials and related costs consisting of cost of materials consumed, purchase of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress increased by 37.89% from ₹1,147.35 million in Fiscal 2020 to ₹1,582.11 million in Fiscal 2021. Our cost of materials consumed increased by 13.11% from ₹823.78 million in Fiscal 2020 to ₹931.80 million in Fiscal 2021 primarily on account of the growth in volume of products sold and our purchase of stock-in-trade experienced a 21.81% increase from ₹481.89 million in Fiscal 2020 to ₹586.98 million in Fiscal 2021 primarily on account of volume growth.

Employee benefits expenses. Our employee benefits expenses increased by 34.73% from ₹1,009.21 million in Fiscal 2020 to ₹1,359.66 million in Fiscal 2021 primarily on account of increase in salaries, wages and bonus, which increased by 38.67% from ₹884.87 million in Fiscal 2020 to ₹1,227.09 million in Fiscal 2021. This increase resulted from a combination of factors such as the expansion of our international sales team and addition of employees on account of the acquisition of Vascular Concepts and Vascular Innovations.

Finance costs. Our finance costs increased by 134.63% from ₹86.83 million in Fiscal 2020 to ₹203.73 million in Fiscal 2021. This was primarily due to a significant increase in interest expense on borrowings by 279.32% from ₹44.92 million in Fiscal 2020 to ₹170.39 million in Fiscal 2021 on account of a loan from Investec Bank PLC and Siemens Bank GMBH during the year, amounting to ₹2,574.30 million taken in Fiscal 2021 to fund the acquisition of Vascular Innovation and a loan taken for ₹350.00 million to fund capital expenditure for the new manufacturing facility being constructed at Hyderabad, India.

Depreciation and amortization expense. Depreciation and amortization increased by 80.77% from ₹195.92 million for Fiscal 2020 to ₹354.16 million for Fiscal 2021 primarily due to amortization of intangible assets acquired as part of Vascular Innovations Co. Ltd.

Other expenses. Other expenses increased by 18.23% from ₹2,085.22 million in Fiscal 2020 to ₹2,465.44 million in Fiscal 2021 primarily on account of an increase in legal and professional fees, sales and marketing expenses, commission and brokerage. Legal and professional fees increased by 137.85% from ₹189.94 million in Fiscal 2020 to ₹451.77 million in Fiscal 2021 primarily on account of the addition of Vascular Concepts and Vascular Innovations to our Group and international expansion. Sales and marketing expenses also increased by 122.11% from ₹170.79 million in Fiscal 2020 to ₹379.34 million in Fiscal 2021 primarily on account of increased marketing activities due to new product launches, international business expansion and additional spend incurred to recover sales in domestic business after the first wave of the COVID-19 pandemic in India. In addition, commission and brokerage increased by 326.46% from ₹22.15 million in Fiscal 2020 to ₹94.46 million in Fiscal 2021 primarily on account of increased sales and marketing activity in our international businesses. Further, acquisition cost in relation to business combination increased by 354.60% from ₹8.59 million in Fiscal 2020 to ₹39.05 million in Fiscal 2021 due to the acquisition of Vascular Concepts Limited and Vascular Innovation Co. Ltd..

We are currently in the process of obtaining USFDA approval to market one of our products and are at the pre-submission phase and are conducting pre-clinical studies and engineering tests. Accordingly, our expenses for USFDA approval, *i.e.* development and other related expenses in relation to the filing for approval to the USFDA for one of our drug eluting stent product, increased by 24.83% from ₹110.13 million in Fiscal 2020 to ₹137.48 million in Fiscal 2021.

The increase in other expenses was marginally offset primarily by a decrease in conference expense that decreased by 52.07% from ₹326.43 million in Fiscal 2020 to ₹156.45 million in Fiscal 2021 on account of travel restrictions due to COVID 19, and clinical trial expenses that decreased by 20.90% from ₹652.28 million in Fiscal 2020 to ₹515.95 million in Fiscal 2021 on account of reduced patient enrolment due to COVID 19.

Restated Profit/(loss) before tax. For the various reasons discussed above, our Restated loss before tax was ₹452.92 million in Fiscal 2021 while we recorded a Restated Profit before tax of ₹378.53 million in Fiscal 2020. In Fiscal 2021, we suffered loss of ₹29.70 million on account of a phishing attack on our Company, and we made a provision of ₹330.76 million consequent to the judgment by the Supreme Court of India dated September 13,

2021 where the refund of GST input tax credit on input services under the inverted duty structure was ruled not to be claimable. We have also made a provision of ₹46.95 million against GST Input Tax amount of certain vendors who had not discharged the GST liability to the authorities for the services rendered to our Company in earlier years. The loss, being exceptional and non-recurring in nature, was classified under the exceptional items. For further information, see "*Restated Consolidated Financial Information – Note 46: Exceptional Item*" on page 275.

Total tax expenses. Total tax expenses increased by 117.80% from ₹124.18 million in Fiscal 2020 to ₹270.46 million in Fiscal 2021. This was largely due to tax related to earlier periods of ₹93.29 million in Fiscal 2021 on account of provisions made for earlier periods. Current tax also increased by 34.34% from ₹149.89 million in Fiscal 2020 to ₹201.36 million in Fiscal 2021 primarily on account of an increase in loss reported by our international subsidiaries for which our Company has not created Deferred Tax Asset taking a conservative view and as well due to the disallowance of deductions under tax for expenses such as acquisition related costs and exceptional items.

Restated Profit/(loss) after tax. For the various reasons discussed above, our Restated loss after tax was ₹723.38 million in Fiscal 2021 while we recorded a Restated profit after tax of ₹254.35 million in Fiscal 2020.

Total Other comprehensive Income/(loss). Total other comprehensive loss was ₹137.76 million in Fiscal 2021 compared to ₹118.32 million in Fiscal 2020. Exchange loss on translating the financial statements of foreign operations was ₹148.11 million in Fiscal 2021 compared to ₹110.77 million in Fiscal 2020.

Restated Total Comprehensive Income/(loss). As a result of the factors explained above, our Restated total comprehensive loss was ₹861.14 million in Fiscal 2021 while our Restated total comprehensive income was ₹136.03 million in Fiscal 2020.

Fiscal 2020 compared to Fiscal 2019

Our results of operations for Fiscal 2020 were affected by the following key factors:

- In Fiscal 2020, SMT Ireland, our wholly owned Subsidiary, acquired 75% voting interests in Zarek Distribuidora De Produtos Hospitalares Eireli, a Brazil based sales and marketing company with a portfolio of interventional cardiology and endovascular products based in Brazil, for a total cash consideration of ₹321.13 million. For further information, see "*Financial Information – Restated Consolidated Financial Information – Note 37: Business Combinations*" on page 264.

- In Fiscal 2020, SMT Iberia, our Subsidiary, acquired 100% voting interests in Imex Salud S.L., a Spain based company, for a total cash consideration of ₹200.24 million. Subsequently, SMT Iberia and Imex Salud S.L. were merged in December 2019 in the merged entity SMT Iberia S.L. As a part of the acquisition scheme, the Group has issued 11% voting rights in Sahajanand Medical Technologies Iberia S.L to an employee (who also had minority stake in the IMEX Salud S.L.) at nominal value, the fair value of which has been accounted as Goodwill in the Restated Consolidated Financial Information. For further information, see "*Financial Information – Restated Consolidated Financial Information – Note 37: Business Combinations*" on page 264.

- We have started direct operations in Germany, Poland, Russia, Switzerland, France through our local subsidiaries.

- We also commenced construction of our new R&D and manufacturing facility in Hyderabad, Telangana through a new subsidiary, SMT Cardiovascular Private Limited.

Total Income. Our total income increased by 45.95% from ₹3,359.45 million in Fiscal 2019 to ₹4,903.06 million in Fiscal 2020 primarily due to an increase in revenue from operations.

Revenue from operations. Our revenue from operations increased by 47.16% from ₹3,261.15 million in Fiscal 2019 to ₹4,799.09 million in Fiscal 2020, primarily due to sale of products. Sale of products increased by 46.11% from ₹3,228.62 million in Fiscal 2019 to ₹4,717.21 million in Fiscal 2020 primarily on account of growth in domestic market and expansion of international business.

Other operating income also increased by 151.71% from ₹32.53 million in Fiscal 2019 to ₹81.88 million in Fiscal 2020 primarily due to an increase in MEIS income on account of higher exports.

The following table sets forth the contribution of each of our business verticals to our revenue from operations for the years indicated:

Particulars	For the Year ended 31 March, 2019		For the Year ended 31 March, 2020	
	(₹ million)	% of total revenue from operations	(₹ million)	% of total revenue from operations
Interventional cardiology	3,168.89	97.17%	4,344.89	90.54%
Structural heart therapy	-	0.00%	32.46	0.68%
Peripheral intervention	29.07	0.89%	166.45	3.47%
Others	30.65	0.94%	173.41	3.61%
Other operating income	32.53	1.00%	81.88	1.71%
Total revenue from operations	**3,261.15**	100.00%	**4,799.09**	100.00%

Other income. Other income increased by 5.77% from ₹98.30 million in Fiscal 2019 to ₹103.97 million in Fiscal 2020, primarily due to an increase in net foreign exchange gain from nil in Fiscal 2019 to ₹31.02 million in Fiscal 2020 on account of foreign exchange movement. This increase was offset by a decrease in Interest income on financial instruments measured at amortised cost for Bank Deposits by 30.99% from ₹94.73 million in Fiscal 2019 to ₹65.37 million in Fiscal 2020 on account of lower bank deposits.

Expenses. Total expenses increased by 55.62% from ₹2,907.42 million in Fiscal 2019 to ₹4,524.53 million in Fiscal 2020 primarily due to an increase in other expenses, employee benefits expense and materials and related costs, in line with 47.16% increase in our revenue from operations.

Materials and related costs. Materials and related costs consisting of cost of materials consumed, purchase of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress significantly increased by 126.83% from ₹505.83 million in Fiscal 2019 to ₹1,147.35 million in Fiscal 2020. Our cost of materials consumed increased by 83.88% from ₹447.99 million in Fiscal 2019 to ₹823.78 million in Fiscal 2020 primarily on account of an increase in sales volume, change in sales mix and increased usage of third-party catheters in our products. Our purchase of stock-in-trade experienced a 76.34% increase from ₹273.27 million in Fiscal 2019 to ₹481.89 million in Fiscal 2020 primarily on account of increase in our trading business.

Employee benefits expenses. Our employee benefits expenses increased by 39.86% from ₹721.58 million in Fiscal 2019 to ₹1,009.21 million in Fiscal 2020 primarily on account of increase in salaries, wages and bonus, which increased by 59.33% from ₹555.37 million in Fiscal 2019 to ₹884.87 million in Fiscal 2020. This increase resulted from a combination of factors *i.e.* increase in the number of employees due to the acquisitions of IMEX and Zarek and overall expansion of our business, increase in the salaries and higher performance linked variable bonuses based on improved operational and financial performance for past years. Staff welfare expenses also increased by 68.29% from ₹49.76 million in Fiscal 2019 to ₹83.74 million in Fiscal 2020 on account of an increase in the number of employees due to acquisitions of IMEX and Zarek and overall expansion of our business. This increase was offset by a significant decrease in share based payment expenses by 90.71% from ₹96.60 million in Fiscal 2019 to ₹8.97 million in Fiscal 2020 on account of ESOP scheme introduced in May 2018 with 1-year vesting period.

Finance costs. Our finance costs increased by 23.87% from ₹70.10 million in Fiscal 2019 to ₹86.83 million in Fiscal 2020. This was primarily due to an increase in other borrowing costs by 273.21% from ₹9.22 million in Fiscal 2019 to ₹34.41 million in Fiscal 2020 on account of an increase in fund-raising expenses. This increase was offset by a decrease in interest expense on borrowings by 16.46% from ₹53.77 million in Fiscal 2019 to ₹44.92 million in Fiscal 2020.

Depreciation and amortization expense. Depreciation and amortization increased by 59.70% from ₹122.68 million for Fiscal 2019 to ₹195.92 million for Fiscal 2020, primarily due to amortization of intangible assets acquired as part of the Zarek and IMEX acquisitions.

Other expenses. Other expenses increased by 40.21% from ₹1,487.23 million in Fiscal 2019 to ₹2,085.22 million in Fiscal 2020 primarily on account of an increase in clinical trial expenses, conference expense, sales and marketing expenses, and legal and professional fees. Clinical trial expenses significantly increased by 71.20% from ₹381.01 million in Fiscal 2019 to ₹652.28 million in Fiscal 2020 primarily on account of initiation of additional clinical trials. Conference expense also increased by 22.65% from ₹266.14 million in Fiscal 2019 to ₹326.43 million in Fiscal 2020 primarily on account of increased participation in conferences to support our growing business. Sales and marketing expenses significantly increased by 237.73% from ₹50.57 million in Fiscal

2019 to ₹170.79 million in Fiscal 2020 primarily on account of increased sales and marketing activity. In addition, legal and professional fees increased by 46.06% from ₹130.04 million in Fiscal 2019 to ₹189.94 million in Fiscal 2020 primarily on account of international business expansion and subsidiaries formation.

We commenced the process of obtaining USFDA approval to market one of our products in Fiscal 2020, and are currently at the pre-submission phase and are conducting pre-clinical studies and engineering tests. Accordingly, Fiscal 2020 also included expenses for USFDA approval, *i.e.* development and other related expenses in relation to the filing for approval to the USFDA for one of our drug eluting stent product, of ₹110.13 million, which primarily included consumption and overheads of ₹63.82 million and clinical trial expenses of ₹38.15 million. In addition, Fiscal 2020 included acquisition cost in relation to business combination of ₹8.59 million in relation to the Zarek and IMEX acquisitions.

The increase in other expenses was marginally offset primarily by a decrease in testing expenses that decreased by 51.62% from ₹51.69 million in Fiscal 2019 to ₹25.01 million in Fiscal 2020 as per product development cycle, and marketing consultancy expenses that decreased by 70.72% from ₹89.48 million in Fiscal 2019 to ₹26.20 million in Fiscal 2020 due to change in marketing strategy.

Restated Profit/(loss) before tax. For the various reasons discussed above, our Restated profit before tax was ₹378.53 million in Fiscal 2020 while we recorded a Restated profit before tax of ₹452.03 million in Fiscal 2019.

Total tax expenses. Total tax expenses increased by 5.48% from ₹117.73 million in Fiscal 2019 to ₹124.18 million in Fiscal 2020.

Restated Profit/(loss) after tax. For the various reasons discussed above, our Restated profit after tax decreased by 23.92% from ₹334.30 million in Fiscal 2019 to ₹254.35 million in Fiscal 2020.

Total other comprehensive Income/(loss). Total other comprehensive loss was ₹118.32 million in Fiscal 2020 compared to ₹4.51 million in Fiscal 2019. Exchange loss on translating the financial statements of foreign operations was ₹110.77 million in Fiscal 2020 compared to ₹2.83 million in Fiscal 2019 primarily on account of increased foreign exchange exposure due to the addition of new international subsidiaries.

Restated Total comprehensive income/(loss). As a result of the factors explained above, our Restated total comprehensive income decreased by 58.75% from ₹329.79 million in Fiscal 2019 to ₹136.03 million in Fiscal 2020.

Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our capital expenditure and working capital needs for our operations. We have met these requirements through cash flows from operations, equity infusions from shareholders and borrowings. As of March 31, 2021, we had ₹1,126.42 million in cash and cash equivalents and ₹322.64 million in other bank balances other than cash and cash equivalents. We believe that, after taking into account the expected cash to be generated from operations, our borrowings and the proceeds from the Offer, we will have sufficient liquidity for our present requirements and anticipated requirements for capital expenditure and working capital for the next 12 months.

Cash Flows

The following table sets forth our cash flows for the years indicated:

Particulars	**Year ended 31 March, 2019**	**Year ended 31 March, 2020**	**Year ended 31 March, 2021**
	(₹ million)		
Net cash generated from/ (used in) operating activities	(364.66)	(131.52)	463.52
Net cash generated from/ (used in) investing activities	(749.55)	189.96	(1,865.07)
Net cash generated from financing activities	1,177.95	47.44	2,117.07
Net increase in cash and cash equivalents	63.74	105.88	715.52
Cash and cash equivalents at the end of the year	**103.91**	**229.87**	**1,126.42**

Operating Activities

Net cash generated from operating activities was ₹463.52 million in Fiscal 2021. Our restated loss before tax was ₹452.92 million in Fiscal 2021, which was primarily adjusted for depreciation and amortization expense of ₹354.16 million, finance costs of ₹203.73 million and unrealized exchange gain of ₹4.90 million, resulting in an operating profit before working capital changes of ₹493.81 million. Further, in Fiscal 2021 adjustments from movements in working capital were made to arrive at the net cash used from operating activities, which primarily included decrease in trade receivables and other assets of ₹123.95 million due to an increase in contribution of international business which has a lower DSO, decrease in inventories of ₹118.54 million due to the increase in contribution by our international business, and decrease in trade payables and other liabilities of ₹169.40 million due to an increase in purchase consistent with the volume growth. Cash generated from operating activities amounted to ₹566.90 million and net cash generated from operating activities also included income taxes paid (net) of ₹103.38 million in Fiscal 2021.

Net cash used in operating activities was ₹131.52 million for Fiscal 2020. Our restated profit before tax was ₹378.53 million in Fiscal 2020, which was primarily adjusted for depreciation and amortization expense of ₹195.92 million, finance costs of ₹86.82 million, interest income of ₹ 71.48 million and unrealized exchange gain of ₹44.06 million, resulting in an operating profit before working capital changes of ₹586.59 million. Further, in Fiscal 2020 adjustments from movements in working capital were made to arrive at the net cash used from operating activities, which primarily included increase in trade receivables and other assets of ₹607.86 million, increase in inventories of ₹354.34 million, and increase in trade payables and other liabilities of ₹383.40 million, consistent with the growth in our business. Cash generated from operating activities amounted to ₹7.79 million and net cash generated from operating activities also included income taxes paid (net) of ₹139.31 million in Fiscal 2020.

Net cash used in operating activities was ₹364.66 million for Fiscal 2019. Our restated profit before tax was ₹452.03 million in Fiscal 2019, which was primarily adjusted for depreciation and amortization expense of ₹122.68 million, interest income of ₹ 98.29 million, employee stock option expense of ₹96.60 million and finance costs of ₹70.11 million, resulting in an operating profit before working capital changes of ₹689.67 million. Further, in Fiscal 2019 adjustments from movements in working capital were made to arrive at the net cash used from operating activities, which primarily included increase in trade receivables and other assets of ₹787.47 million due to growth in business, increase in inventories of ₹278.97 million due to business growth, and increase in trade payables and other liabilities of ₹259.71 million due to increase in third party products purchased to support business growth. Cash used in operating activities amounted to ₹117.06 million and net cash generated from operating activities also included income taxes paid (net) of ₹247.60 million in Fiscal 2019.

Investing Activities

Net cash used in investing activities was ₹1,865.07 million in Fiscal 2021, primarily on account of payment towards acquisition of business of ₹1,751.36 million in relation to the acquisition of Vascular Concepts Limited and Vascular Innovations Co. Ltd. in Fiscal 2021 (for further information, see "*Financial Information – Restated Consolidated Financial Information – Note 37: Business Combinations*" on page 264) and Payment for purchase of property, plant and equipment of ₹ 308.33 million, which was marginally offset by bank deposits (net) of ₹134.63 million.

Net cash generated from investing activities was ₹189.96 million in Fiscal 2020. Our Company invested ₹541.51 million in Payment for purchase of property, plant and equipment to increase production capacity and initiate the new R&D and manufacturing facility, and payment towards acquisition of business of ₹521.37 million in relation to the acquisition of Zarek and Imex in Fiscal 2020. The above investments were funded through encashment of bank deposits (net) of ₹1,138.30 million (for further information, see "*Financial Information – Restated Consolidated Financial Information – Note 37: Business Combinations*" on page 264).

Net cash used in investing activities was ₹749.55 million in Fiscal 2019, primarily on account of bank deposits (net) of ₹557.57 million made out of cash received from shares sale by our Company and Payment for purchase of property, plant and equipment of ₹280.44 million to an increase production capacity, which was marginally offset by interest received of ₹87.47 million.

Financing Activities

Net cash generated from financing activities was ₹2,117.07 million in Fiscal 2021 on account of proceeds from long-term borrowings of ₹2,925.62 million to fund the acquisition of Vascular Concepts Limited and Vascular Innovations Co. Ltd., working capital requirement and capital expenditure. This was primarily offset by repayment of short-term borrowings (net) of ₹ 487.40 million and finance costs of ₹ 196.38 million.

Net cash generated from financing activities was ₹47.44 million in Fiscal 2020 on account of proceeds of short-term borrowings (net) of ₹233.00 million. This was primarily offset by finance costs of ₹79.05 million and repayment of long-term borrowings of ₹ 69.71 million.

Net cash generated from financing activities was ₹1,177.95 million in Fiscal 2019 primarily on account of proceeds from call made on partly issued shares of ₹787.00 million from shares sale by our Company in Fiscal 2019 and proceeds of short-term borrowings of ₹488.29 million. This was partially offset primarily by finance costs of ₹ 64.20 million and repayment of long-term borrowings of ₹ 25.27 million.

Capital Expenditures

Our capital expenditures primarily comprised expenditures relating to capacity expansion, routine capital expenditure and acquisitions of brands and technology. In Fiscal 2019, Fiscal 2020, and Fiscal 2021, our capital expenditure towards additions to fixed assets (Property, Plant and Equipment, Capital Work-in-Progress and Other Intangible Assets) were ₹243.81 million, ₹427.76 million and ₹385.55 million, respectively. The following table sets forth our fixed assets for the years indicated:

	As at 31 March, 2019	**As at 31 March, 2020**	**As at 31 March, 2021**
	(₹ million)		
Property, plant and equipment	442.39	453.05	498.25
Other Intangible Assets	10.62	365.72	896.96
Capital Work-in-Progress	2.68	286.41	598.11
Total	**455.69**	**1,105.18**	**1,993.32**

For more information, see "*Financial Information – Restated Consolidated Financial Information*" on page 219.

Indebtedness

As of March 31, 2021, we had total borrowings (consisting of borrowings under total non-current liabilities, borrowings under current liabilities, and current maturities of long term borrowings) of ₹3,251.04 million. Our gross debt to equity ratio was 87.90% as of March 31, 2021. For further information on our indebtedness, see "*Financial Indebtedness*" on page 311.

The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2021, and our repayment obligations in the year indicated:

	As at March 31, 2021
	(₹ million)
Non-Current Borrowings	2,616.72
Current Borrowings	315.45
Current maturities of long-term borrowings	318.87
Total borrowings	**3,251.04**

Contractual Obligations, Contingent Liabilities and Commitments

Contractual Obligations

We have continuing payment obligations under trade payable, payable related to capital goods, other financial liability, borrowings and lease liabilities. The following table sets forth our contractual obligations as of March 31, 2021:

As at March 31, 2021	0-12 months	Beyond 12 months	Total
	(₹ million)		
Trade Payable	1,090.54	-	1,090.54
Payable related to Capital goods	5.16	-	5.16
Other Financial Liability (current and non-current)	188.58	38.35	226.93
Short-Term Borrowings	315.45	-	315.45
Long-Term Borrowings	318.87	2,668.62	2,987.49
Lease Liabilities	65.32	86.38	151.70
Total	**1,983.92**	**2,793.35**	**4,777.27**

Contingent Liabilities

As of March 31, 2021, our contingent liabilities that have not been accounted for in the Restated Consolidated Financial Information, were as follows:

	As at March 31, 2021
	(₹ million)
Claims against the Group not acknowledged as debt	
Income Tax Matters	149.57
Commercial Matters	2.69
Bank Guarantee	3.83
Total	**156.09**

***Note**: Our Company received summons from the GST Authorities and based on the information provided by them for certain vendors who had not deposited the GST taxes to the Authorities for the services rendered to our Company. Accordingly, our Company has paid and provided for ₹46.95 million of GST (as Exceptional Items), interest of ₹13.78 million (classified under Finance Costs) and penalty of ₹7.04 million (classified under Other Expenses) in relation to the same. We do not expect any further outflow of resources with respect to this matter.*

For more information, see "*Financial Information – Restated Consolidated Financial Information – Note 28: Contingent Liabilities and Commitments*" on page 249.

Commitments

The following table sets forth our commitments as of March 31, 2021:

	As at March 31, 2021
	(₹ million)
Capital commitments (total value)	37.88
Less: Capital advance	10.33
Total	27.55
Other commitments (refer notes)	183.79
Total commitments	**211.34**

Note:
(i) Includes commitment towards agreement dated October 3, 2020 with IHF GmbH research institute to conduct clinical trial of the product "Supraflex" with estimated and agreed expenses of EURO 1,993,740.
(ii) The non-controlling interest of the Group's subsidiary has "Put Option" to sell all or any portion of its 11% holding in Sahajanand Medical Technologies Iberia SL, to the Group at an EBITDA multiple of eight times less net debt. As of March 31, 2021, the put option is out of the money, hence no liability has been recorded in the Restated Consolidated Financial Information.
(iii) The Group has entered into agreement on 26 July, 2016 with European Cardiovascular Research Institute to conduct clinical trial of the product "Supraflex", the cancellation of which will entail monetary compensation of EURO 147,677.

For more information, see "*Financial Information – Restated Consolidated Financial Information – Note 28: Contingent Liabilities and Commitments*" on page 249.

Non-GAAP Measures

Adjusted EBITDA, Adjusted EBITDA Margin, and other non-GAAP measures, (together, "**Non-GAAP Measures**"), presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, such Non-GAAP

Measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Reconciliation for the following non-GAAP financial measures included in this Draft Red Herring Prospectus are set out below for the years indicated:

Reconciliation for Adjusted EBITDA and Adjusted EBITDA net of share based payment expense

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2020	Year ended 31 March, 2021
	(₹ million)		
Restated profit/(loss) after tax (A)	334.30	254.35	(723.38)
Tax expense (B)	117.73	124.18	270.46
Finance costs (C)	70.10	86.83	203.73
Depreciation and amortization expense (D)	122.68	195.92	354.16
Exceptional items (E)	-	-	407.41
Other income (F)	98.30	103.97	34.38
Adjusted EBITDA (G=A+B+C+D+E-F)	**546.51**	**557.31**	**478.00**
Share based payment expense (H)	96.60	8.97	-
Adjusted EBITDA net of share based payment expense (I=G+H)	**643.11**	**566.28**	**478.00**

Reconciliation for Adjusted EBITDA Margin

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2020	Year ended 31 March, 2021
	(₹ million)		
Adjusted EBITDA (A)	**546.51**	**557.31**	**478.00**
Revenue from operations (B)	3,261.15	4,799.09	5,885.21
Adjusted EBITDA Margin (A/B)	**16.76%**	**11.61%**	**8.12%**

Reconciliation for Return on Net Worth attributable to the owners of the company

Particulars	As on March 31, 2019/ For the year ended March 31, 2019	As on March 31, 2020/ For the year ended March 31, 2020	As on March 31, 2021/ For the year ended March 31, 2021
	(₹ million)		
Equity Share Capital (A)	88.90	88.90	88.90
Other Equity attributable to Owners of the Company (B)	3,800.81	4,090.25	3,246.77
Equity attributable to Owners of the Company (C= A+B)	**3,889.71**	**4,179.15**	**3,335.67**
Capital Reserve on business combination (D)	-	132.47	132.47
Foreign Currency Translation Reserve (E)	(12.16)	(99.32)	(230.07)
Net worth attributable to Owners of the Company[*] (F= C-D-E)	**3,901.87**	**4,146.00**	**3,433.27**
Restated profit/(loss) attributable to Owners of the company (G)	334.30	245.57	(723.08)
Return on net worth attributable to the owners of the company (%) (H=G/F)	**8.57%**	**5.92%**	**(21.06)%**

[*] *"Net worth attributable to the owners of the company" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as on 31 March, 2021, 2020 and 2019. Therefore, net worth attributable to the owners of the company excludes capital reserve on business combinations and foreign currency translations reserve.*

Reconciliation of Net Asset value per share

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2020	Year ended 31 March, 2021
	(₹ million)		
Net worth attributable to the owners of the company (A)	**3,901.87**	**4,146.00**	**3,433.27**
Weighted average number of equity shares outstanding during the year which was considered for calculating the basic EPS (B)	83.67	88.90	88.90
Restated net asset value per Equity Share (₹) (B/A)	**46.63**	**46.64**	**38.62**

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that we believe have or are reasonably likely to have a current or future material effect on our financial condition, change in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include inter-corporate loans to Subsidiaries, purchases of goods, sales of goods, reimbursement of expenses, purchases of capital goods, guarantee commission, remuneration to Directors and Key Managerial Personnel and transactions with group companies. For further information relating to our related party transactions, see "*Financial Information – Restated Consolidated Financial Information – Note 31: Related Party Transactions*" on page 250.

Changes in Accounting Policies in the last three Fiscals

There have been no changes in the accounting policies of our Company during the last three financial years.

Auditor's Observation

In its report on the Restated Consolidated Financial Information of our Company for Fiscal 2021, our Statutory Auditors have included an emphasis of matter, drawing attention to a note in the Restated Consolidated Financial Information which draws described the prior period adjustments relating to share-based payment.

Other than the above, there have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our statutory auditors in their auditor's reports on the audited Restated Consolidated Financial Information as of and for the years ended March 31, 2019, 2020 and 2021.

In addition, the Statutory Auditors have included a statement on certain matters specified in the Companies (Auditors Report) Order 2016, as amended ("**CARO**"), in terms of sub-section (11) of section 143 of the Companies Act, in their reports included as an annexure to the auditor's report on our audited Restated Consolidated Financial Information as of and for the years ended March 31, 2019, 2020 and 2021, which do not require any corrective adjustments in the Restated Consolidated Financial Information. For further information, see "*Financial Information – Restated Consolidated Financial Information*" on page 219.

Quantitative and Qualitative Disclosures about Market Risk

Our financial risk management is an integral part of how to plan and execute its business strategy. Our Board of Directors sets our financial risk management policy. Our business activities expose us to a variety of financial risks, namely, liquidity risk, market risks and credit risk. The key risks and mitigating actions are also placed before our Board of Directors. Our risk management policies are established to identify and analyze the risks faced by us, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and our activities.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from an adverse change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market

risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, receivables, payables and loans.

Foreign Currency Risk

Changes in foreign currency exchange rates influence our results of operations. Our reporting currency is the INR and we are exposed to foreign exchange risk arising from various currency exposures on account of sale and procurement of goods and services, primarily with respect to USD and Euro. In Fiscals 2019, 2020 and 2021, 23.42%, 37.40% and 46.58%, respectively, of our sales were denominated in currencies other than INR. If our operations in countries outside of the India continues to grow, our results of operations and cash flows will be subject to fluctuations due to changes in foreign currency exchange rates, which could harm our business in the future. In addition, because we conduct business in currencies other than INR, but report our results of operations in INR, we also face remeasurement exposure to fluctuations in currency exchange rates, which could hinder our ability to predict our future results and earnings and could impact our results of operations.

Our management regular review the currency risk. However, we have not entered into any forward exchange contracts or other arrangements to hedge our exposure to currency fluctuations. The following table sets particulars of unhedged foreign currency exposures as of March 31, 2021:

	As at March 31, 2021			
	USD	**INR**	**Euro**	**INR**
	(million)			
Trade payables	(2.47)	(180.78)	(7.40)	(635.40)
Borrowings	-	-	(1.53)	(131.32)
Capital creditors	(0.19)	(13.83)	-	-
Loans (including interest receivable)	-	-	10.90	937.27
Trade receivables	1.81	132.43	2.30	197.60

For more information, see "*Financial Information – Restated Consolidated Financial Information – Note: 33: Financial Risk Management and Capital Management – (C) Management of Market Risk – (I) Foreign Currency Risk*" on page 256.

Liquidity Risk

Liquidity risk is the risk that we will face in meeting our obligations associated with our financial liabilities. Our approach to managing liquidity is to ensure that we will have sufficient funds to meet our liabilities when due without incurring unacceptable losses. A material and sustained shortfall in our cash flow could undermine our credit rating and impair investor confidence.

Our Board of Directors regularly monitors the rolling forecasts to ensure we have sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in /fixed deposits while ensuring sufficient liquidity to meet our liabilities. For more information regarding the exposure to liquidity risk, see "*Financial Information – Restated Consolidated Financial Information – Note: 33: Financial Risk Management and Capital Management – (A) Management of Liquidity Risk*" on page 256.

Credit Risk

Credit risk is the risk of financial loss to us if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which we grant credit terms in the normal course of business.

Other financial assets

We maintain exposure in cash and cash equivalents, term deposits with banks, loans, security deposits and other financial assets. To manage the risk, we have concentrated our main activities with a limited number of counter-

parties (bank) which have secure credit ratings. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Our finance department actively monitors credit limits and concentration of exposures.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our debt obligations with floating interest rates. We are exposed to variable rate term loans from banks. We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure. We manage our interest rate risk by regular monitoring and taking necessary actions as are necessary to maintain an appropriate balance.

Commodity price risk

Commodity price risk is the possibility of impact from changes in the prices of raw materials, which we use in the manufacture of our products. While we seek to pass on input cost increases to our customers, we may not be able to fully achieve this in all situations or at all times.

Inflation risk

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been subject, and we expect it to continue to be subject, to significant economic changes. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on income from our continuing operations. For more information regarding trends and uncertainties, please see "*—Significant Factors Affecting Our Financial Condition and Results of Operations*" on page 281 and "*Risk Factors*" on page 22.

New Products or Business Segments

Except as disclosed in this Draft Red Herring Prospectus, we have not publicly announced any new products or business segments. For more information regarding new products, please see "*Our Business*" on page 156.

Segment Reporting

We have only one reportable business segment, *i.e.* 'interventional device'. For further information, see "*Financial Information – Restated Consolidated Financial Information – Note 32: Segment Reporting*" on page 255.

Future Relationship between Cost and Income

Except as disclosed in this Draft Red Herring Prospectus, there are no known factors that will have a material adverse impact on our operations and finances. For more information, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 22, 156 and 279, respectively.

Seasonality of Business

There is no material seasonal variation in our operations.

Significant Dependence on a Single or Few Customers or Suppliers

We are largely dependent on certain key customers for a significant portion of our sales. In Fiscals 2019, 2020 and 2021, our top ten customers accounted for 23.57%, 23.40%, and 18.42% of the total revenue from operations. Expenses incurred for the supply of raw materials and components from our top three suppliers account for a significant percentage of our total materials and related costs. In Fiscals 2019, 2020 and 2021, such expenses amounted to ₹575.41 million, ₹786.82 million and ₹721.88 million, which as a percentage of our total materials and related costs represented 79.78%, 60.26% and 47.53%, respectively. For details see "*Risk Factors - We depend on a limited number of customers for the sale of certain products*" on page 38.

Significant Economic Changes

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations. See "*Risk Factors" and "—Significant Factors Affecting Our Financial Condition and Results of Operations*."

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. See "*Risk Factors - We face intense competition and may be unable to adapt to the rapid technological changes in the medical devices industry"* on page 28.

Significant Developments subsequent to March 31, 2021

On September 13, 2021, the Supreme Court of India ruled that refund of GST input tax credit on input services under the inverted duty structure was not claimable. As a result, we had to make a provision of ₹330.76 million which has been classified as exceptional item for the year ended March 31, 2021 in our Restated Consolidated Financial Information. Other than as disclosed above and elsewhere in this Draft Red Herring Prospectus, no circumstances have arisen since the date of the last Restated Consolidated Financial Information as disclosed in this Draft Red Herring Prospectus which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2021, as derived from our Restated Consolidated Financial Information. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Information – Restated Consolidated Financial Information*" and "*Risk Factors*" beginning on pages 279, 219 and 22, respectively.

Particulars	Pre-offer as at March 31, 2021 (in ₹ million)	As adjusted for the Offer* (in ₹ million)
Borrowings		
Borrowings (Non-current liabilities)# (I)	2,616.72	[●]
Current maturities of long-term borrowings# (II)	318.87	[●]
Borrowings (Current liabilities)# (III)	315.45	[●]
Total borrowings (IV = I + II + III)	**3,251.04**	[●]
Equity		
Equity share capital# (V)	88.90	[●]
Other Equity# (VI)	3246.77	[●]
Non-Controlling Interest (VII)	129.29	[●]
Total Equity (VIII = V + VI + VII)	**3,464.96**	[●]
Non-current borrowings + current maturities of long-term borrowings/Total Equity (IX=I+II/VIII)	**84.72%**	**[●]**
Total borrowings/ Total Equity (X = IV/ VIII)	**93.83%**	**[●]**

** The corresponding post Offer capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence, the same have not been provided in this statement.*

 # These terms carry the same meaning as per Schedule III of the Companies Act, 2013.

Notes:

1) *The above has been computed on the basis on amounts derived from the Restated Consolidated Statement of Assets and Liabilities of the Company as on March 31, 2021.*

2) *The Company is proposing to have public issue of shares comprising of Offer for Sale by the Selling Shareholders and issue of new Equity Shares.*

3) *The corresponding post-Offer capitalisation data for each of the above amounts given in the table is not determinable at this stage pending the completion of book building process and hence, the same have not been provided in the above statement.*

4) *Pursuant to a resolution passed by our Shareholders on September 18, 2021, our Company increased the existing authorized share capital from ₹ 100 million to ₹ 150 million.*

FINANCIAL INDEBTEDNESS

As on June 30, 2021, we had outstanding borrowings of ₹ 3,613.53 million on a consolidated basis. The details of such borrowings are set forth below:

Category of borrowing	Sanctioned amount as on June 30, 2021 (in ₹ million)	Outstanding amount as on June 30, 2021 (in ₹ million)
Secured		
Term loan	3,696.20	2,913.83
Fund based working capital loan (includes cash credit, short term loan, overdraft facility, bill discounting and pre-shipment financing loans)	767.65	454.65
Non-fund based working capital loan (includes letter of credit)	500.00	146.29
Vehicle loan	13.38	2.35
Unsecured		
Term loan	22.82	21.04
Working capital loan	-	-
Fund based working capital loan	102.81	74.54
Non-fund based working capital loan	17.65	0.83
Total	**5,120.51**	**3,613.53**

As certified by N B T and Co, Chartered Accountants, pursuant to their certificate dated September 27¸2021.

Key terms of our borrowings:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

(a) *Tenor and Interest rate:* The tenor of the term loans availed by us typically range from two years to five years. In terms of the term loans and fund based working capital facilities availed by us, the interest rate typically comprises a base rate plus applicable margin of the specified lender, ranging from 1.50% to 9.85% p.a.

(b) *Security:* For secured borrowings, we are typically required to create charge on certain of our movable and immovable assets, including land, buildings, receivables, stocks and equipment. Our Company has provided a corporate guarantee for loan facilities availed by certain Subsidiaries of our Company, namely SMT Cardiovascular Private Limited and Sahajanand Medical Technologies Ireland Limited.

In respect of the credit facility of Eur 30 million ("**Investec Facility**") obtained by SMT Ireland originally from Investec Bank Plc (with Siemens Bank GMBH subsequently being added a lender to the facility), our Company, Investec Bank Plc and Siemens Bank GMBH have signed a term-sheet in September 20, 2021 ("**Investec-Siemens Term Sheet**") amending certain terms of the original facility documents. In terms of the Investec-Siemens Term Sheet, an restricted cash amount of ₹ 500 million (inclusive of scheduled amortisation and interest due in October 2021) is required to be set aside by SMT Ireland in a separate account by September 30, 2021, over which the lenders will have an exclusive lien. The Investec Facility is also secured by a charge on the assets of our Company on a *pari passu* basis and a pledge of our Company's shareholding in SMT Ireland.

(c) *Prepayment:* We have the option to prepay our lenders, in part or in full subject to a notice of prepayment to the lender. Some of the facilities availed by us carry a pre-payment penalty on the pre-paid amount or on the outstanding amount, as applicable.

In terms of the Investec-Siemens Term Sheet, we are required to undertake a mandatory prepayment of amounts due under the Investec Facility from the proceeds of any fund-raising undertaken by us (including through the Offer or the Pre-IPO Placement).

(d) *Restrictive covenants*: Our Company and our Subsidiaries, under the borrowing arrangements entered into by them respectively, require the relevant lender's prior written consent and/or are required to intimate the relevant lender, as applicable, for carrying out certain actions, including:

(i) entering into any scheme for merger, de-merger, arrangement, reconstruction, loans and advances;

(ii) implementing any scheme of expansion / diversification / modernisation other than incurring routine capital expenditure;

(iii) amendment in the constitutional documents of our Company;

(iv) change in the composition of the board of directors and the chairman;

(v) change or altering our capital structure or capital returns;

(vi) declaration of dividend and capital returns;

(vii) sale/ divestment of any investment, business or subsidiary; and

(viii) use of the working capital loans obtained for funding at the subsidiary level.

The abovementioned list is indicative and there may be additional restrictive covenants and conditions where we may be required to take prior written consent or intimate the respective lender under the various borrowing arrangements entered into by us.

Certain specific covenants we are subject to under the Investec-Siemens Term Sheet include the following:

(i) We are required to maintain an unencumbered cash balance of ₹ 700 million (excluding the restricted cash amount as described above) till outstanding dues under the Investec Facility are repaid.

(ii) We require prior consent of the lenders to (a) undertake any additional borrowings; or (b) extend inter-corporate loans.

(iii) Our Company is prohibited from incurring amounts in excess of ₹ 350 million each in the third and fourth quarters of Fiscal 2022 towards capex and USFDA expenses. From Fiscal 2023 onwards, capex and USFDA expenses will be incurred as mutually agreed with the lenders.

(e) *Events of Default*: Borrowing arrangements entered into by us contain standard events of default, including but not limited to:

(i) failure and inability to pay amounts on the due date;

(ii) violation of any covenant of the relevant agreement or any other borrowing agreement;

(iii) any material adverse effect which would have an effect on our ability to repay the facilities availed;

(iv) cross default with other debt facilities at the group level;

(v) loss of license/approval in relation to key products of our Company

(vi) suspension or cessation of business;

(vii) default under any other financing documents, mortgage, indenture or other related instrument;

(viii) any circumstance of expropriation or unlawfulness for continuance of facility; and

(ix) failure to maintain the required deposit margin balance.

The abovementioned list is indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

(f) *Consequences of Events of Default*: Upon the occurrence of an event of default under our borrowing arrangements, our lenders are entitled to, among other things:

(i) withdraw or cancel the sanctioned facilities;

(ii) enforce their security over the hypothecated / mortgaged assets;

(iii) seek immediate repayment of all or part of the outstanding amounts under the respective facilities;

(iv) levy additional interests and penalty;

(v) initiate legal proceedings for recovery of their dues; and

(vi) appoint a nominee director on the board.

The abovementioned list is indicative and there may be additional consequences on the occurrence of an event of default under the various borrowing arrangements entered into by us.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceeding; (ii) actions taken by regulatory or statutory authorities; (iii) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Fiscals, including outstanding action; (iv) claims related to direct and indirect taxes (disclosed in a consolidated manner); (v) other legal proceedings which are determined to be material as per the Materiality Policy adopted by our Board, in each case involving our Company, Subsidiaries, Promoters and Directors ("**Relevant Parties**") and (vi) litigation involving our Group Companies which may have a material impact on our Company.*

*For the purpose of (v) above, our Board in its meeting held on September 16, 2021, has considered and adopted a materiality policy for identification of material litigation involving the Relevant Parties and Group Companies, in accordance with the SEBI ICDR Regulations ("**Materiality Policy**").*

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities or statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five Fiscals including outstanding action, and claims related to direct and indirect taxes, will be considered 'material' for disclosure in this Draft Red Herring Prospectus if:

a) the aggregate monetary amount of claim involved, whether by or against the Relevant Parties, in any such pending litigation is in excess of 1% of the consolidated net worth attributable to the owners of the company of the Company, being ₹34.33 million as on the last date of the latest completed financial year in the Restated Consolidated Financial Information; or

b) such pending litigation that is material from the perspective of Company's business, operations, financial results, prospects or reputation, irrespective of the amount involved in such litigation.

*Further, except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board in its meeting held on September 16, 2021**,** has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of this materiality policy, outstanding dues to any creditor of our Company having monetary value which exceed ₹ 54.53 million, which is 5% of the total outstanding dues (i.e. trade payables) of our Company as on the last date of the last date of the latest completed financial year covered in the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus, shall be considered as 'material'. Accordingly, for the purpose of this disclosure, any outstanding dues exceeding ₹ 54.53 million have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006.*

Further, pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by the Relevant Parties shall unless otherwise decided by our Board, not be considered as litigation until such time that any of the Relevant Party, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority, is notified by any governmental authority or any judicial forum.

All terms defined in a particular litigation disclosure pertain to such specific disclosure only.

I. Litigation involving our Company

A. Outstanding criminal proceedings involving our Company

Criminal proceedings initiated against our Company

Except as disclosed below, there are no outstanding criminal proceedings initiated against our Company.

1. Mangesh R. Kadve ("**Complainant**") filed a criminal complaint ("**Complaint**") against our Company, Bhargav Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Abhishek Rajendrakumar Kabra and others ("**Accused**"), before the 2nd Civil Judge J.D., Pimpri, Pune ("**Trial Court**") alleging *inter alia* defamation

and unlawful loss caused to the Complainant as result of filing of maliciously and false cases filed against the Complainant by the Accused. The Trial Court passed an order issuing process against the Accused. Subsequently, the Accused filed an application under section 482 of the CrPC before the High Court of Bombay ("**High Court**"). The High Court passed an order dated June 12, 2018, staying the proceedings involving the Complaint in the Trial Court. The matter is currently pending before the High Court.

Criminal proceedings initiated by our Company

Except as disclosed below, there are no outstanding criminal proceedings initiated by our Company.

1. Criminal complaint has been filed by our Company against nine entities under Section 138 of the Negotiable Instruments Act,1881, for dishonour of cheque for amount aggregating up to ₹ 20.85 million, to the extent ascertainable, before various trial courts. The matters are currently pending.

B. Action by statutory or regulatory authorities against our Company

Except as disclosed below, there are no outstanding actions by any statutory or regulatory authorities against our Company.

The Competition Commission of India has, by a letter dated September 6, 2021, directed our Company under Section 36(4) of the Competition Act to provide certain information and documents in connection with the acquisition by our Company of its holding in Vascular Concepts Limited to assess whether any further proceedings are required under the Competition Act in relation to such acquisition. Our Company is in the process of responding to this notice.

C. Material outstanding litigation involving our Company

Material civil litigation initiated against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigation initiated against our Company.

Material civil litigation initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigation initiated by our Company.

II. Litigation involving our Directors

A. Outstanding criminal proceedings involving our Directors

Criminal proceedings against our Directors

Bhargav Dhirajlal Kotadia

Mangesh R. Kadve filed a criminal complaint against our Company, our Director Bhargav Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Abhishek Rajendrakumar Kabra and others before the 2nd Civil Judge J.D., Pimpri, Pune. For further details, see " - *Litigation involving our Company – Outstanding Criminal Proceedings involving our Company -– Criminal proceedings initiated against our Company"* on page 314.

Dhirajlal Vallabhbhai Kotadia

Mangesh R. Kadve filed a criminal complaint against our Company, our Director Bhargav Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Abhishek Rajendrakumar Kabra and others before the 2nd Civil Judge J.D., Pimpri, Pune. For further details, see " - *Litigation involving our Company – Outstanding Criminal Proceedings involving our Company -– Criminal proceedings initiated against our Company"* on page 314.

Abhishek Rajendrakumar Kabra

Mangesh R. Kadve filed a criminal complaint against our Company, our Director Bhargav Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Abhishek Rajendrakumar Kabra and others before the 2nd Civil Judge J.D., Pimpri, Pune. For further details, see " - *Litigation involving our Company – Outstanding Criminal Proceedings involving our Company -– Criminal proceedings initiated against our Company"* on page 314.

Criminal proceedings initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Directors.

B. Pending action by statutory or regulatory authorities against our Directors

The Registrar of Companies National Capital Territory of Delhi and Haryana has filed a case dated November 14, 2014, against Shukla Wassan in her capacity as the company secretary of Xerox India Limited in the Court of Kumud Gugnani, ACJM, Gurgaon, under Section 211 (7) of Companies Act, 1956 for alleged contravention of Section 211 (3A) (3B) and (3C) of the Companies Act, 1956. Shukla Wassan had filed a petition dated December 11, 2015, in the High Court of Punjab and Haryana ("**High Court**") under section 482 of the Criminal Procedure Code, challenging the petition filed against her, invoking the extraordinary jurisdiction of High Court to quash, and set aside the complaint filed against her. The High Court in its order dated December 18, 2015, has granted interim protection. The matter is currently pending.

C. ***Material outstanding litigation involving our Directors***

Material civil litigations initiated against our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigation initiated against our Directors.

Material civil litigations initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigation initiated by our Director.

III. Litigation involving our Promoters

A. Outstanding criminal proceedings involving our Promoters

Criminal proceedings against our Promoters

For litigation involving our Promoter, Bhargav Dhirajlal Kotadia, see *"- Litigation involving our Directors – Outstanding Criminal Proceedings involving our Directors – Criminal proceedings initiated against our Directors – Bhargav Dhirajlal Kotadia"* on page 315.

Criminal proceedings initiated by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Promoters.

B. Pending action by statutory or regulatory authorities against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Promoters.

C. Material outstanding litigation involving our Promoters

Material civil litigations against our Promoters

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal proceedings initiated against our Promoters.

Material civil litigations initiated by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigation initiated by our Promoters.

D. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five Fiscals immediately preceding the date of filing of this Draft Red Herring Prospectus

There has been no disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five Fiscals including outstanding action immediately preceding the date of filing of this Draft Red Herring Prospectus.

IV. Litigation involving our Subsidiaries

A. Outstanding civil/criminal proceedings involving our Subsidiaries

Civil / Criminal proceedings initiated against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil or criminal proceedings initiated against our Subsidiaries.

Civil / Criminal proceedings initiated by our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil or criminal proceedings initiated by our Subsidiaries.

B. Pending action by statutory or regulatory authorities against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Subsidiaries.

V. Litigation involving our Group Companies which may have a material impact on our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigations involving our Group Companies which may have a material impact on our Company.

VI. Tax claims

Except as disclosed below, there are no claims related to direct and indirect taxes[*], involving our Company, Subsidiaries, Directors and Promoters.

Nature of case	Number of cases	Amount involved (in ₹ million)
Company		
Direct tax	9	35.62
Subsidiaries		
Direct tax	1	126.60

[*]*Please also see "Financial Information – Restated Consolidated Financial Information – Note 28: Contingent Liabilities and Commitments" on page 249.*

VII. *Outstanding dues to creditors*

As of March 31, 2021, we had 686 creditors to whom an aggregate outstanding amount of ₹ 1,090.53 million was due. Further, based on available information regarding status of the creditor as a micro, small or a medium scale enterprise as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as of March 31, 2021, our Company owes an amount of ₹ 7.91 million to micro, small and medium enterprises.

As per the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds ₹ 54.53 million, which is 5% of the total outstanding dues (i.e. trade payables) of our Company as per the date of the last Restated Consolidated Financial Information included in this Draft

Red Herring Prospectus, shall be considered as 'material'. As of March 31, 2021, there are five material creditors to whom our Company owes an aggregate amount of ₹ 518.41 million. The details pertaining to outstanding dues towards our material creditors and their names are available on the website of our Company at www.smtpl.com. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

Details of outstanding dues owed to micro, small and medium enterprises, material creditors and other creditors as of March 31, 2021 are set out below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises	22	7.91*
Material creditors	5	518.41
Other creditors	659	564.21**

* *Including provision for interest*
** *Including provisions*

VIII. Material developments since the last balance sheet date

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments subsequent to March 31, 2021*" on page 309, there have been no developments subsequent to March 31, 2021, that we believe are expected to have a material or adverse impact on our business, revenue, trading, our profitability, the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Set out below is an indicative list of licenses, approvals, registrations, and permits obtained by our Company and its Material Subsidiaries which are considered material and necessary for the purpose of undertaking their business activities, and except as mentioned below, no further material approvals from any statutory or regulatory authority are required to undertake or continue such business activities. Certain of our material approvals may have expired or may expire in the ordinary course of business from time to time, and our Company and its Material Subsidiaries have either already made an application to the appropriate authorities for renewal of such material approvals or are in the process of making such renewal applications. For details in connection with the applicable regulatory and legal framework, see "Key Regulations and Policies" on page 179. Further, for details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "Risk Factors - Any delay or inability in obtaining, renewing or maintaining our permits, licenses, registrations and approvals could result in an adverse effect on our results of operations." on page 41.

I. Incorporation Details

For details in relation to the incorporation of our Company, see "*History and Certain Corporate Matters*" on page 185.

For details in relation to the incorporation of our Material Subsidiaries, see "*History and Certain Corporate Matters - Our Subsidiaries*" on page 188.

II. Tax Related Approvals of the Company

The following are the tax-related approvals obtained by our Company:

a. Permanent account number AAFCS7694L issued by the Income Tax Department under the Income Tax Act, 1961 to our Company.

b. Tax deduction account number SRTS00849C issued by the Income Tax Department under the Income Tax Act, 1961 to our Company.

c. GST registrations under applicable central and state goods and services tax legislations.

III. Key Approvals in Relation to Our Business

Approvals in relation to our manufacturing facilities

Our Company and VCL are required to obtain material licenses, approvals and registrations under various state and central laws, rules and regulations to operate our manufacturing facilities, namely (i) license to work factories under the Factories Act, (ii) manufacturing license for drugs, including medical devices, under the DC Rules, (iii) manufacturing license for certain categories of medical devices issued by the CDSCO under the Medical Device Rules, (iv) approvals from the CDSCO for each of their products, (v) consents to establish and consolidated consent and authorisation from Gujarat Pollution Control Board and the Karnataka Pollution Control Board, respectively, under the Water Act, Air Act, Environmental Protection Act and Hazardous Waste Management Rules, (vi) possession certificate, and fire no-objection certificate issued by the Surat Municipal Corporation, and the Karnataka Fire and Emergency Services Department, respectively, (vii) importer-exporter code issued by Deputy Director General of Foreign Trade, and (viii) import licenses issued by the Central Licensing Authority issued under the Medical Devices Rules.

Approvals in relation to our warehouses

Our Company and its VCL are required to obtain (i) licenses to sell stock, or exhibit (or offer) for sale, or distribute by wholesale their products under the DC Rules, and (ii) registrations under the applicable state-specific shops and establishment legislations.

Labour-related approvals

Our Company and VCL are required to obtain material licenses, approvals and registrations under various

employee and labour related laws, namely (i) the Employees' Provident Funds and Miscellaneous Provisions Act, (ii) Employees State Insurance Act, and (iii) the Contract Labour (Regulations and Abolition) Act.

IV. Material Approvals or Renewal of Material Approvals Applied for but not Received

Except as stated below, our Company, and its Material Subsidiaries have obtained all material approvals, consents, licenses, registrations and permits that are required for undertaking their current business activities:

1. Application dated June 17, 2020, for renewal of the shops and establishment license for our warehouse at Sachin, Surat Gujarat issued by the Office of Inspector under Gujarat Shops and Establishment Act, 1963, which has expired on December 31, 2020.

2. Application dated July 13, 2021 made by our Company for renewal of the fire safety certificate for the facility at Sachin, made to the Chief Fire Officer, Surat Fire & Emergency Services, Surat Municipal Corporation.

3. Application dated August 28, 2021 made by our Company for obtaining a license under the Shops and Establishments Act, made to the Surat Municipal Corporation.

V. Intellectual Property

Following are the details of intellectual property rights registered and applied for by us, in India and overseas, as on the date of this Draft Red Herring Prospectus:

Trademarks

We have 152 trademarks registered in the name of our Company in India, including, "SAHAJANAND", and "SMTPL", and our corporate logo "SMT". Our registered trademarks are under classes 5, 7, 10, 16, 35, 42, and 99. Our Company also has 7 trademarks registered overseas. Further, VCL has 27 trademarks registered in India, while our Subsidiary VICL has 1 registered trademark in Thailand.

Our Company has 18 pending trademarks applications in India, of which three are under opposition and two have been objected to. We have one trademark application pending overseas. Our Subsidiary VICL has six pending trademark applications in Thailand.

Patents

67 patents have been granted to us, including the patents granted to us overseas. We have 17 patent applications pending, in India and overseas. In addition, our Subsidiary VICL holds six patents in Thailand.

Copyrights

Our Company has 17 registered copyrights, and one pending copyright application. All our copyrights have been applied for and granted in India.

Designs

Our Company has four registered designs, all granted in India. Three of these are for "coronary stents", and one is for a "spring loading device".

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Offer

Our Board has authorised the Offer, pursuant to a resolution dated September 16, 2021. Our Shareholders have authorised the Offer pursuant to a special resolution passed at their extra-ordinary general meeting dated September 18, 2021. The IPO Committee has taken on record the Offer for Sale by the Selling Shareholders pursuant to its resolution dated September 27, 2021. This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution dated September 18, 2021 and the IPO Committee pursuant to its resolution dated September 27, 2021.

Each of the Selling Shareholders has, severally and not jointly, authorised and confirmed inclusion of its portion of the Offered Shares as part of the Offer for Sale, as set out below:

Sr. No.	Name of the Selling Shareholders	Date of resolution by board or committee of directors	Date of Consent Letter	Aggregate amount of Offer for Sale (up to) (in ₹ million)
1.	Dhirajkumar S. Vasoya	N.A.	September 27, 2021	1,000
2.	Shree Hari Trust	N.A.	September 27, 2021	337.50
3.	Samara Capital Markets Holding Limited	September 22, 2021	September 27, 2021	6,355.60
4.	NHPEA Sparkle Holding B.V.	September 15, 2021	September 27, 2021	3,203.60

Our Company has received in-principle approvals from the BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other authorities

Our Company, Selling Shareholders, Promoters, members of the Promoter Group, Directors, and the persons in control of our Company and the Promoters are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, the Selling Shareholders, our Promoters and members of our Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to our Company and the Equity Shares, as on the date of this Draft Red Herring Prospectus.

Directors associated with securities market

None of our Directors are associated with the securities market related business. There are no outstanding actions initiated by SEBI in the last five years preceding the date of this Draft Red Herring Prospectus against our Directors.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.*"

We are an unlisted company, not satisfying the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to allot not less than 75% of the Offer to QIBs to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. In the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number

of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Our Company is in compliance with the following conditions specified under Regulations 5 of the SEBI ICDR Regulations:

(i) Our Company, the Selling Shareholders, our Promoters, the members of our Promoter Group, and our Directors are not debarred from accessing the capital markets;
(ii) None of the Promoter or the Directors are promoter or directors of companies which are debarred from accessing the capital markets by SEBI;
(iii) None of our Company, our Promoters or our Directors have been categorized as a Wilful Defaulter;
(iv) None of our Promoters and our Directors are Fugitive Economic Offenders; and
(v) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus except for the options granted under ESOP 2021.

Each of the Selling Shareholders, severally and not jointly, confirm that it is in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING AXIS CAPITAL LIMITED, BOFA SECURITIES INDIA LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED AND UBS SECURITIES INDIA PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHARHEOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 27, 2021, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, the Selling Shareholders, our Directors and the BRLMs

Our Company, the Selling Shareholders, our Directors, the BRLMs accept no responsibility for statements made otherwise than those confirmed in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website www.smtpl.com or the websites of the Selling Shareholders, if any, would be doing so at his or her or their own risk.

Unless required by law, the Selling Shareholders, and where applicable, trustees and their respective directors, affiliates, associates and officers accept no responsibility for any statements and undertakings, except such statements and undertakings made or confirmed by them in this Draft Red Herring Prospectus specifically in relation to itself, and their respective Offered Shares, are true and correct.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere. Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, BRLMs and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), systemically important NBFCs or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, NBFC-SIs and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs, and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India except the United States of America. Any person into whose possession the Red Herring Prospectus comes is required to inform himself or herself about, and to

observe, any such restrictions.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company and the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date. Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Offer. The [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus, in accordance with applicable law and the Selling Shareholders will be liable to reimburse our Company for any such repayment of monies, on its behalf, with respect to Selling Shareholders Offered Shares. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of any of the Selling Shareholders with regard to interest on such refunds will be reimbursed by such Selling Shareholder in proportion to its respective portion of the Offered Shares. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay and/or reimburse any expenses towards refund or any interest thereon for any delay, unless such delay has been caused by any act or omission solely and directly attributable to such Selling Shareholder and in any other case the Company shall take on the responsibility to pay interest. It is clarified that such liability of a Selling Shareholder shall be limited to the extent of its respective portion of the Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. The Selling Shareholders confirm that it shall extend complete co-operation required by our Company and the BRLMs for the completion of the

necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed. If our Company does not Allot the Equity Shares within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, subject to applicable law.

Consents

Consents in writing of (a) the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, the BRLMs, legal counsel, bankers/ lenders to our Company, F&S and the Registrar to the Offer, in their respective capacities have been obtained; and consents in writing of (b) the Syndicate Members, the Escrow Collection Bank(s), Public Offer Account Bank(s) the Sponsor Bank and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 26 and 32 of the Companies Act, 2013. Further, consents received prior to filing of this Draft Red Herring Prospectus have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus with SEBI.

Expert to the Offer

Except as stated herein, our Company has not obtained any expert opinions.

Our Company has received written consent dated September 27, 2021 from Deloitte Haskins & Sells LLP Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 18, 2021 on our Restated Consolidated Financial Information; and (ii) their report dated September 18, 2021 on the Statement on Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws, in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

Our Company has received written consent dated September 22, 2021 from Dr. P. J. Gandhi, Chartered Engineer, the independent chartered engineer, to include his name in this Draft Red Herring Prospectus, as an "expert" as defined under the provisions of the Companies Act, 2013 to the extent and in his capacity as a chartered engineer, certifying the installed production capacities and capacity utilisation of the production facilities owned and/or controlled by our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Public or rights issues by our Company during the last five years and performance vis-à-vis objects – our Company

Our Company has not made any public or rights issue during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Commission and brokerage paid on previous issues

Since this is an initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Capital issue by our Company, our listed Group Companies, Subsidiaries and associates during the previous three years

Our Company does not have any listed Group Companies, listed associates and listed Subsidiaries. For details in relation to the capital issuances by our Company in the three years preceding the date of filing the Draft Red Herring Prospectus, see "*Capital Structure – Notes to the Capital Structure*" beginning on page 74.

Performance vis-à-vis objects – Last issue of Subsidiaries or Promoters

Our Promoters and Subsidiaries are not listed on any stock exchange.

Price information of past issues handled by the BRLMs (during the current financial year and the two financial years preceding the current financial year)

- **Axis Capital Limited**

1. Price information of past issues handled by Axis Capital Limited:

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Ami Organics Limited	5,696.36	610.00	14-Sep-21	910.00	-	-	-
2	Chemplast Sanmar Limted	38,500.00	541.00	24-Aug-21	550.00	+2.06%, [+5.55%]	-	-
3	Nuvoco Vistas Corporation Limited	50,000.00	570.00	23-Aug-21	485.00	-5.91%, [+6.46%]	-	-
4	Cartrade Tech Limited	29,985.13	1,618.00	20-Aug-21	1,599.80	-10.31%, [+6.90%]	-	-
5	Clean Science And Technology Limited	15,466.22	900.00	19-Jul-21	1,755.00	+66.33%, [+5.47%]	-	-
6	India Pesticides Limited	8,000.00	296.00	5-Jul-21	350.00	+12.64%, [+1.87%]	-	-
7	Krishna Institute Of Medical Sciences Limited[!]	21,437.44	825.00	28-Jun-21	1,009.00	+48.10%, [-0.43%]	+48.35%, [+12.89%]	-
8	Dodla Dairy Limited	5,201.77	428.00	28-Jun-21	550.00	+44.94%, [-0.43%]	+40.02%, [+12.89%]	-
9	Shyam Metalics And Energy Limited[@]	9,085.50	306.00	24-Jun-21	380.00	+40.95%, [+0.42%]	+22.65%, [+11.22%]	-
10	Macrotech Developers Limited	25,000.00	486.00	19-April-21	436.00	+30.22%, [+5.21%]	+75.43%, [+10.89%]	-

Source: www.nseindia.com
@ Offer Price was ₹ 291.00 per equity share to Eligible Employees
! Offer Price was ₹ 785.00 per equity share to Eligible Employees

Notes:

a. Issue Size derived from Prospectus/final post issue reports, as available.
b. The CNX NIFTY is considered as the Benchmark Index.
c. Price on NSE is considered for all of the above calculations.
d. In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.
e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past public issues handled by Axis Capital Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022*	11	212,901.16	-	-	2	1	4	3	-	-	-	-	-	-
2020-2021	11	93,028.90	-	-	6	2	1	2	-	1	1	4	3	2
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3

** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

- **BofA Securities India Limited**

1. Price information of past issues handled by BofA Securities India Limited:

Sr. No.	Offer Name	Offer Size (₹ in mm)	Offer Price (₹)	Listing Date	Opening Price on Listing Date (₹)(2)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing (3) (4) (5)	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing (3) (4) (6)	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing (3) (4) (7)
1.	Glenmark Life Sciences Limited	15,136.00	720.00	6-Aug-2021	750.00	-6.40% [+6.68%]	-	-
2.	Zomato Limited	93,750.00	76.00	23-July-21	116.00	+83.29% [+3.75%]	-	-
3.	UTI Asset Management Company Limited	21,598.80	554.00	12-Oct-20	500.00	-10.43% [5.87%]	-0.60%[+20.25%]	5.81% [24.34%]
4.	SBI Cards and Payment Services Limited	103,407.80	755.00	16-Mar-20	661.00	-33.05% [-2.21%]	-21.79% [+8.43%]	12.50% [24.65%]

Source: www.nseindia.com; for price information and prospectus/basis of allotment for issue details.

Notes:

1. *Equity public issues in last 3 financial years considered.*
2. *Opening price information as disclosed on the website of NSE.*
3. *Benchmark index is CNX Nifty.*
4. *In case 30th day, 90th day or 180th day is not a trading day, closing price on NSE of previous trading day is considered.*
5. *30th listing day has been taken as listing date plus 29 calendar days.*
6. *90th listing day has been taken as listing date plus 89 calendar days.*
7. *180th listing day has been taken as listing date plus 179 calendar days*

2. Summary statement of price information of past issues handled by BofA Securities India Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	2	108,886.00	-	-	**1**	**1**	-	-	-	-	-	-	-	-
2020-21	1	21,598.80	-	-	1	-	-	-	-	-	-	-	-	1
2019-20	1	103,407.80	-	1	-	-	-	-	-	-	-	-	-	1

***Notes**:*

1. The information is as on the date of this Draft Red Herring Prospectus.

2. Based on the day of listing

- **Edelweiss Financial Services Limited**

1. Price information of past issues handled by Edelweiss Financial Services Limited:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Vijaya Diagnostic Centre Limited	18,942.56	531.00*	September 14, 2021	540.00	Not Applicable	Not Applicable	Not Applicable
2	Aptus Value Housing Finance India Limited	27,800.52	353.00	August 24, 2021	333.00	-2.82% [5.55%]	Not Applicable	Not Applicable
3	Devyani International Limited	18,380.00	90.00	August 16, 2021	140.90	32.83% [4.93%]	Not Applicable	Not Applicable
4	Powergrid Infrastructure Investment Trust	77,349.91	100.00	May 14, 2021	104.00	14.00% [7.64%]	22.04% [10.93%]	Not Applicable
5	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [5.21%]	75.43% [10.89%]	Not Applicable
6	Stove Kraft Limited	4,126.25	385.00	February 5, 2021	498.00	30.68% [0.09%]	28.92% [-2.05%]	115.34% [8.08%]
7	Indigo Paints Limited^	11,691.24	1,490.00^	February 2, 2021	2,607.50	75.72% [4.08%]	55.40% [-0.11%]	74.84% [7.61%]
8	Burger King India Limited	8,100.00	60.00	December 14, 2020	112.50	146.5% [7.41%]	135.08% [10.86%]	168.25% [16.53%]
9	Equitas Small Finance Bank Limited	5,176.00	33.00	November 2, 2020	31.10	5.45% [12.34%]	19.55% [16.84%]	68.18% [25.38%]

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
10	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	18.90% [5.87%]	52.90% [20.25%]	45.79% [24.34%]

Source: www.nseindia.com

^ Indigo Paints Limited - A discount of ₹ 148 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹1490 per equity share
**Vijaya Diagnostic Centre Limited - A discount of ₹ 52 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹531 per equity share*

Notes

1. *Based on date of listing.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
3. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
4. *The Nifty 50 index is considered as the benchmark index*
5. *Not Applicable. – Period not completed*
6. *Disclosure in Table-1 restricted to 10 issues.*

2. Summary statement of price information of past issues handled by Edelweiss Financial Services Limited:

Fiscal Year*	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	5	167,472.99	-	-	1	-	2	1	-	-	-	-	-	-
2020-21	7	45,530.35	-	-	1	3	1	2	-	-	1	5	1	-
2019-20	3	23,208.49	-	-	-	-	1	2	-	1	-	1	-	1

The information is as on the date of the document

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
3. *The Nifty 50 index is considered as the Benchmark Index.*

**For the financial year 2021-22- 5 issues have been completed of which 2 issues have completed 90 calendar days and 2 issue has completed 30 calendar days.*

- **UBS Securities India Private Limited**

  UBS has not acted as a book running lead manager on any initial public offerings during the current financial year and the two financial years preceding the current financial year.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs, as set forth in the table below:

Sr. No	Name of the BRLM	Website
1.	Axis Capital Limited	http://www.axiscapital.co.in
2.	BofA Securities India Limited	www.ml-india.com
3.	Edelweiss Financial Services Limited	www.edelweissfin.com
4.	UBS Securities India Private Limited	www.ubs.com/indianoffers

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

For offer related grievance investors may contact Book Running Lead Managers, details of which are given in "*General Information*" on page 66.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with their obligations under applicable SEBI ICDR Regulations.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and the SEBI circular bearing number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to any applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/ withdrawn/ deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount for the period of such delay.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013, and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014, in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders' Relationship Committee which is responsible for redressal of grievances of security holders of our Company. For details, see "*Our Management*" on page 196.

Our Company has appointed Flora Das as our Company Secretary and Compliance Officer for the Company who may be contacted in case of any pre-Offer or post-Offer related grievances. Her contact details are as follows:

Sahajanand Estate, Wakhariawadi, Near Dabholi,
Ved Road, Surat – 395 004. GJ, India
Tel: +91 261 6112800
E-mail: investors@smt.in

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in "*Objects of the Offer*" on page 87.

Ranking of the Equity Shares

The Equity Shares being offered/Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits. For further details, see "*Main Provisions of the Articles of Association*" beginning on page 358.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of Articles of Association*" beginning on pages 218 and 358, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹1 and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Selling Shareholders in consultation with the BRLMs, and advertised in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Gujarati newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity

Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Main Provisions of the Articles of Association*" beginning on page 358.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated July 31, 2021 amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated July 13, 2021 amongst our Company, CDSL and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in his Offer will be in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For further details, see "*Offer Procedure*" beginning on page 340.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board

may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Programme

BID/ OFFER OPENS ON*	**[●]**
BID/ OFFER CLOSES ON**	**[●]**(1)

**Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.*
***Our Company and the Selling Shareholders in consultation with the BRLMs may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
(1)UPI mandate end time and date shall be at [●] on [●].

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about [●]
Credit of the Equity Shares to depository accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.*

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, our Selling Shareholders or the BRLMs.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that it shall extend such reasonable support and co-operation required by our Company and the BRLMs for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10:00 am and 5:00 pm (Indian Standard Time ("**IST**"))
Bid/ Offer Closing Date*	
Submission and Revision in Bids	Only between 10:00 am and 3:00 pm IST

**UPI mandate end time and date shall be at [●] on [●].*

On the Bid/ Offer Closing Date:

(i) In case of Bids by QIBs and Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m.(IST) and uploaded by 4.00 p.m. IST, and

(ii) In case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Working Days.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. None among our Company and the Selling Shareholders or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company and the Selling Shareholders, in consultation with the BRLMs reserve the right to revise the Price Band during the Bid/Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members and by intimation to the Designated Intermediaries.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR), including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid/ Offer Closing Date on the date of closure of the Offer or; the minimum subscription of 90% of the Fresh Issue on the date of closure of the Offer; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the offer document, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In the event of an undersubscription

in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Fresh Issue prior to the Equity Shares offered pursuant to the Offer for Sale.

The Selling Shareholders shall reimburse, in proportion to the respective portion of its Offered Shares, any expenses and interest incurred by our Company on behalf of it for any delays in making refunds as required under the Companies Act and any other applicable law, provided that any Selling Shareholder shall not be responsible or liable for payment and/ or reimbursement of such expenses towards refund or interest thereon for any delay, unless such delay has been caused by any act or omission solely and directly attributable to such Selling Shareholder and in any other case the Company shall take on the responsibility to pay interest. It is clarified that such liability of a Selling Shareholder shall be limited to the extent of its respective portion of the Offered Shares.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, lock-in of the Promoters' minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 74 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association"* beginning on page 358.

OFFER STRUCTURE

The Offer is of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 15,000 million (the "**Offer**"). The Offer comprises of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,103.30 million and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 10,896.70 million. The Offer shall constitute [●]%, of the post-offer paid-up Equity Share capital of our Company.

The Offer is being made through the Book Building Process.

Our Company, in consultation with the BRLMs, is considering a Pre-IPO Placement of such number of Equity Shares for cash consideration aggregating up to ₹ 1,850 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to a minimum Offer size of 10% of the post-Offer paid-up Equity Share capital of our Company being offered to the public.

The face value of the Equity Shares is ₹1 each.

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation*[(2)]	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not more than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	Not less than 75% of the Offer Size shall be Allotted to QIBs. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to QIBs	Not more than 15% of the Offer or Offer less allocation to QIBs and Retail Individual Bidders will be available for allocation	Not more than 10% of the Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors	Proportionate	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see "*Offer Procedure*" beginning on page 340.
Mode of Bid	Only through the ASBA process (except for Anchor Investors)		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹200,000	Such number of Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity	Such number of Equity Shares in multiples of [●]	Such number of Equity Shares in multiples of [●]

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
	Shares not exceeding the size of the Offer, subject to applicable limits	Equity Shares not exceeding the size of the Offer (excluding the QIB Portion), subject to applicable limits	Equity Shares so that the Bid Amount does not exceed ₹200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of allotment	Compulsorily in dematerialised form		
Allotment lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading lot	One Equity Share		
Who can apply[(3)]	Public financial institutions as specified in section 2(72) of the Companies Act, 2013, scheduled commercial banks, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and NBFC-SI	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
Terms of payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)] **In case of all other Bidders**: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form		

* *Assuming full subscription in the Offer.*

(1) *Our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors.*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under Regulation 6(2) of the SEBI ICDR Regulations.*

(3) *If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor pay-in date as mentioned in the CAN.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Fresh Issue and the Selling Shareholders, reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company and the Selling Shareholders, in consultation with the BRLMs withdraws the Offer at any stage and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the filing of the Prospectus with the RoC.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by RIBs through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders/Applicants; (v) Issuance of CAN and allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid Form); (vii) Submission of Bid cum Application Form; (viii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) disposal of application (x) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xi) mode of making refunds; (xii) Designated Date and (xiii) interest in case of delay in allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Further, our Company, Selling Shareholders and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized mode on the platform of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for RIBs using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available with the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The RIBs can additionally Bid through the UPI Mechanism.

Retail Individual Investors using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected. Retail Individual Investors bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID (in case of RIBs) as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors	White

** Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com)

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than RIBs using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For Retail Individual Investors using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate a UPI Mandate Request to such Retail Individual Investors for blocking of funds. The Sponsor

Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIIs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

ELECTRONIC REGISTRATION OF BIDS

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions as defined and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Important Information for Investors – Eligibility and Transfer Restrictions

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of the Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act, unless made pursuant to available exemptions from the registration requirements of the U.S. Securities Act and in accordance with applicable securities laws of any state or other jurisdiction of the United States. The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved.

Eligible Investors

The Equity Shares are being offered and sold outside the United States, in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur and who are deemed to have made the representations set forth immediately below.

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer outside the United States, by a declaration included in the Bid cum Application Form and its acceptance of the Red Herring Prospectus and of the Equity Shares offered pursuant to the Offer, will be deemed to have acknowledged, represented and warranted to and agreed with our Company, the Selling Shareholders and the BRLMs that it has received a copy of the Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser is purchasing the Equity Shares offered pursuant to the Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

5. `the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

6. is not acquiring the Equity Shares as a result of any “directed selling efforts” (within the meaning of Rule 902(c) under the U.S. Securities Act);

7. the purchaser acknowledges that our Company, the Selling Shareholders, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Participation by Promoters and members of the Promoter Group of the Company, the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs) nor (ii) any “person related to the Promoters/ Promoter Group” shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoters/ Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board. Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

The Promoters and members of the Promoter Group will not participate in the Offer except to the extent of the Offered Shares.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and Selling Shareholders in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 357. Participation of Eligible NRIs shall be subject to the FEMA Non-debt Instruments Rules.

Bids by HUFs

Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments

Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilise the multi investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

(a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 ("**SEBI VCF Regulations**") as amended, inter alia prescribe the investment restrictions on VCFs, registered with SEBI. The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 ("**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the

investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and Selling Shareholders in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and Selling Shareholders in consultation with the BRLMs reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company and the Selling Shareholders in consultation with the BRLMs may deem fit.

Bids by Anchor Investors

(a.) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b.) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100.00 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100.00 million.

(c.) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(d.) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

(e.) Our Company and the Selling Shareholders, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million; minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.

(f.) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g.) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h.) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(i.) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(j.) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) , nor any "person related to Promoters or Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

(k.) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids. The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

General Instructions

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;

4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

5. RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;

8. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

12. RIBs Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Ensure that you have correctly signed the authorisation/ undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

16. Ensure that the Demographic Details are updated, true and correct in all respects;

17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

18. Ensure that the category and the investor status is indicated in the Bid cum Application Form;

19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

21. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

22. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

23. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;

24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;

25. Ensure that the PAN is linked with Aadhaar and are in compliance with notification dated February 13, 2020 and press release dated June 25, 2021 issued by Central Board of Direct Taxes;

26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

27. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and

28. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹200,000 for Bids by Retail Individual Bidders;

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price for Bids by QIBs and Non-Institutional Bidders;

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account.

8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;

9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

10. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;

11. Anchor Investors should not Bid through the ASBA process;

12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

14. Do not submit the General Index Register (GIR) number instead of the PAN;

15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

19. Do not submit a Bid using UPI ID, if you are not a RIB;

20. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

21. Do not Bid for Equity Shares in excess of what is specified for each category;

22. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

24. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

25. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID; and

26. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see "*General Information*" on page 66.

Further, helpline details of the BRLMs pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "*General Information – Book Running Lead Managers*" on page 67.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bid submitted without instruction to the SCSB to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account or UPI ID (for RIBs using the UPI Mechanism) details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by RIBs using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID, subject to availability of information from the Sponsor Bank;

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

10. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;

11. GIR number furnished instead of PAN;

12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals; and

13. Bids accompanied by cheque(s), demand draft(s), stock invest, money order, postal order or cash.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure

specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

Payment into Escrow Account(s) for Anchor Investors

Our Company and the Selling Shareholders in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the members of Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre- Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of [●], an English national daily newspaper, (ii) all editions of [●], a Hindi national daily newspaper, and (iii) Gujarat editions of [●], a Gujarati newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located, each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of the Underwriting Agreement and the Filing with the RoC

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;

- the funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- Except for Equity Shares allotted pursuant to the Offer, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

- that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

- Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and

- If our Company and the Selling Shareholders, in consultation with the BRLMs withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Undertakings by the Selling Shareholders

Each Selling Shareholder undertakes, severally and not jointly, in respect of itself as a selling shareholder and its respective portion of its Offered Shares that:

- the Offered Shares are eligible for being offered in the Offer for Sale in terms of the SEBI ICDR Regulations;

- it is the legal and beneficial owner of the Offered Shares and the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer;

- it shall deposit its respective portion of the Offered Shares in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;

- it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to its respective portion of the Offered Shares;

- it shall provide such reasonable cooperation to our Company in relation to its respective portion of the Offered Shares for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges; and

- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchanges has been received.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, Offer Price, will be taken by our Company and the Selling Shareholders in consultation with the BRLMs.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"***Any person who—***

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

Utilisation of Offer Proceeds

Our Board of Directors certifies and declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The consolidated FDI policy circular of 2020 dated October 15, 2020 issued by the DPIIT (formerly Department of Industrial Policy & Promotion) ("**FDI Circular**") consolidates the policy framework which was in force as on October 15, 2020. Further, the FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DPIIT. The FDI Circular will be valid until the DPIIT issues an updated circular and shall be subject to FEMA Non-debt Instruments Rules.

As per the FDI Circular read with Press Note, 100% foreign direct investment is permitted under the automatic route for manufacturing of medical devices. In terms of Press Note 3 of 2020, dated April 17, 2020 ("**Press Note**"), issued by the DPIIT, the FDI Circular has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Non-debt Instruments Rules.

Transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Circular and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure – Bids by Eligible NRIs*" and "*Offer Procedure – Bids by FPIs*" on page 345.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

The Articles of Association of the Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the allotment and/or transfer of equity shares of the Company pursuant to the initial public offering of the equity shares of the Company (the "QIPO" of the "Equity Shares" of the Company). In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to applicable law, prevail and be applicable. All articles of Part B shall automatically terminate and cease to have any force and effect from the date of date of allotment and/or transfer of Equity Shares of the Company pursuant to the QIPO and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.

Part A

AUTHORISED SHARE CAPITAL

Article 6 provides that the authorised share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in Clause V of the memorandum of association of the Company ("Memorandum of Association"), with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the articles of association of the Company ("Articles"), subject to the provisions of applicable law for the time being in force.

SHARES AT THE DISPOSAL OF THE DIRECTORS

Article 9 provides that subject to the provisions of the Companies Act, 1956 ("Act") and these Articles, the shares in the capital of the Company shall be under the control of the board of directors of the Company(hereinafter, "Board"), who may issue, allot or otherwise dispose of all or any of such shares to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the Company in the general meeting of the Company ("General Meeting"), give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board think fit. Provided that option or right to call of shares shall not be given to the person or persons without the sanction of the Company in the General Meeting.

SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE

Article 11 provides that subject to the provisions of the Act, the Company in its General Meetings may, by an ordinary resolution, from time to time:

(a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
(b) divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;
(c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;
(d) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of members of the Company ("Members"), shall require applicable approvals under the Act; and
(e) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

ISSUE OF CERTIFICATE

Article 23 provides that every Member shall be entitled, without payment, to one or more certificates in marketable

lots, for all the shares of each class or denomination registered in his name, or if the directors of the Company ("Directors"), so approve (upon paying such fee, or at the discretion of the Directors without payment of fee, as the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case maybe or within a period of six (6) months from the date of allotment in the case of any allotment of debenture. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two Directors or by a Director and the company secretary, wherever the Company has appointed a company secretary, and the common seal shall be affixed in the presence of the persons required to sign the certificate.

COMPANY'S LIEN ON SHARES / DEBENTURES

Article 27 provides that the Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures. Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.

Article 28 provides that the Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares / debentures.

Article 29 provides that the Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made-

(a) unless a sum in respect of which the lien exists is presently payable; or
(b) until the expiration of fourteen (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

Article 33 provides that in exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

CALLS ON SHARES

Article 35 provides that the Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call

may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders in a General Meeting.

Article 37 provides that the Board may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

Article 39 provides that if a Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

Article 40 provides that any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable

Article 41 provides that in case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Article 42 provides that the Board –

(a) may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him.

The Board may at any time repay the amount so advanced.

FORFEITURE

Article 44 provides that if a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

TRANSFER OF SHARES

Article 59 provides that the Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

Article 61 provides the following about the instrument of transfer:

(a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.

(b) The Board may decline to recognize any instrument of transfer unless-

(i) the instrument of transfer is in the form prescribed under the Act;
(ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
(iii) the instrument of transfer is in respect of only one class of shares.

(c) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

Article 62 provides that every such instrument of transfer shall be executed, both by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

Article 64 provides that subject to the provisions of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of one month or such other period as prescribed under applicable laws, from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares/ debentures in whatever lot shall not be refused.

Article 66 provides that the executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

Article 67 provides that no share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid shares through a legal guardian.

TRANSMISSION OF SHARES

Article 68 provides that subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent Member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

Article 69 provides for the rights on transmission. It states that a person becoming entitled to a share by transmission shall, reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirements of notice have been complied with.

Article 71 provides that the Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

Furthermore, Article 72 provides that the provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

ALTERATION OF CAPITAL

Article 73 provides that the Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

Article 75 provides that where shares are converted into stock:

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;

(c) such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"Member" shall include "stock" and "stock-holder" respectively.

REDUCTION OF CAPITAL

Article 76 provides that the Company may, by a special resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act-

(a) its share capital; and/or

(b) any capital redemption reserve account; and/or

(c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be: (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or (ii) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum of Association, by reducing the amount of its share capital and of its shares accordingly.

GENERAL MEETINGS

Article 79 provides that-

(a) The Company shall in each year hold a General Meeting as its annual general meeting of the Company ("Annual General Meeting"), in addition to any other meeting in that year.

(b) An Annual General Meeting shall be held in accordance with the provisions of the Act.

Article 80 provides that all General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

Article 81 provides that the Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

Article 85 provides that-

(a) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.

(b) In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

Article 86 provides that five (5) Members or such other number of Members as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

VOTE OF MEMBERS

Article 95 provides that subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) On a show of hands every Member holding Equity Shares of the Company, present in person shall have one vote.

(b) On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up Equity Share capital.

(c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

Article 98 provides that no member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

Article 99 provides that any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

Article 102 provides that any corporation which is a Member of the Company may, by resolution of its board of directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

DIRECTORS

Article 103 provides that unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall reside in India for a period of not less than 182 (one hundred and eighty-two) days in each financial year.

Provided that the Company may appoint more than fifteen (15) Directors after passing a special resolution.

Article 103A provides that the Company shall be managed by the Board which shall be responsible for the overall directors, supervisions and day to day management of the Company. At any time on and after consummation of the QIPO, and subject to applicable law and appropriate corporate approvals, including but not limited to approval of the shareholders of the Company by way of a Special Resolution after the Consummation of the QIPO, (i) for so long as and until NHPEA Sparkle Holding B.V. ("**NHPEA**") holds 10% or more of the issued and paid-up equity share capital of the Company, NHPEA shall be entitled to nominate 1 (One) Director (the "**NHPEA Director**") on the Board; (ii) for so long as and until Samara Capital Markets Holding Limited ("**Samara**") holds 10% or more of the issued and paid-up equity share capital of the Company ("**Investor Nominee Threshold**"), Samara shall be entitled to nominate 1 (One) Director (the "**Samara Director**") on the Board; and (iii) subject to the rights of NHPEA and Samara to appoint the NHPEA Director and the Samara Director under sub-clauses (i) and (ii), the Promoters shall be entitled to appoint all of the non-independent Directors (the "**Promoter Directors**") on the Board. One of the non-executive Promoter Directors, as the Promoter may determine, shall be the Chairperson on the Board. The Board will also comprise such number of independent directors as may be required under applicable laws. For the avoidance of doubt, each of NHPEA and Samara shall cease to have the right under this Article 103A to appoint its respective nominee director once its shareholding falls below the Investor Nominee Threshold, notwithstanding that its shareholding subsequently increases to or beyond the Investor Nominee Threshold.

Article 105 provides that subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Any such additional director shall hold office only up to the date of the next Annual General Meeting.

Article 106 provides for alternate directors. It states that:

(a) The Board may, appoint a person, not being a person holding any alternate directorship for any other Director in the Company, to act as an alternate director for a Director (hereinafter in this Article called the "**Original Director**") during his absence for a period of not less than 3 (three) months from India. However, each of NHPEA, Samara and Promoters shall be entitled to appoint alternate directors for any of their respective nominee directors, in accordance with applicable laws.

(b) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

Article 107 provides that if the office of any Director, other than a Promoter Director or Samara Director or NHPEA Director, appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by Members in the immediate next General Meeting. The Director so appointed shall hold office only up to the date which the Director in whose place he is appointed would have held office if it had not been vacated.

NHPEA, Samara and the Promoters shall have the right to replace and/or remove their respective nominee Directors at any time and from time-to-time from the Board and to fill vacancies on the Board that may be created otherwise in respect of their nominee Directors.

Article 108 provides for remuneration of directors. It states that:

(a) A Director (other than a managing Director or whole-time Director or Samara Nominee Director or NHPEA Nominee Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him. The remuneration of Directors including managing Director and/or whole-time Director may be paid in accordance with the applicable provisions of the Act.

(b) The Board of Directors may allow and pay or reimburse any Director who is not a *bona fide* resident of the place where a meeting of the Board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling, and out-of-pocket expenses and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the Company.

(c) All Directors shall be entitled to receive reimbursement in respect to all expenses reasonably incurred by them in connection with the performance of their duty as a Director of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

Article 109 provides that if any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Director as a Member of any committee formed by the Directors) in going or residing away from the town in which the Office of the Company may be situated for any purposes of the Company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

ROTATION AND RETIREMENT OF DIRECTOR

Article 112 provides that at the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless and subject to approval of the shareholders of the Company by way of a Special Resolution after the Consummation of the QIPO, the Samara Director shall continue to be on board on a non-retiring basis. Further in the event Samara ceases to have the right to appoint the Samara Director due to its shareholding falling below the Investor Nominee Threshold in accordance with Article 103A, one of the Promoter Directors shall be on the Board on a non-retiring basis.

Article 116 provides that the Company in General Meeting may, when appointing a person as a Director declare that his continued presence on the Board is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period until the happening of any event of contingency set out in the said resolution.

PROCEEDINGS OF BOARD OF DIRECTORS

Article 118 provides for the meetings of the board. It states that:

(a) The Board shall meet at least once in every three (3) months with a maximum gap of four (4) months between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined

by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

(b) The chairman may, at any time, and the secretary or such other officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one independent director, if any.

(c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.

(d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

Article 120 provides that subject to the provisions of the Act, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term 'interested director' means any Director whose presence cannot, by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on the concerned matter or resolution.

Article 122 provides for election of chairman of the board. It states that:

(a) At any time on and after Consummation of the QIPO, and subject to applicable law and appropriate corporate approvals, including but not limited to approval of the shareholders of the Company by way of a Special Resolution after the Consummation of the QIPO, one of the non-executive Promoter Directors, as the Promoters may determine, shall be the Chairperson of every Board meeting.

(b) If no such chairman is elected or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one among themselves to be the chairman of the meeting.

Article 123 provides for powers of directors. It states that:

(a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum of Association or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

(b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise

executed, as the case maybe, by such person and in such manner as the Board shall from time to time by resolution determine.

Article 124 provides that

(a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.

(b) The Board shall from time to time form/ reconstitute committees of the Board and the Board shall determine the composition of such committees based on the Applicable Law and other statutory requirements, including the Audit Committee, the Stakeholders' Relationship Committee, the Nomination and Remuneration Committee, the Risk Management Committee, the Corporate Social Responsibility Committee, the IPO Committee, or such other committees that the Board may deem fit. Subject to approval of the shareholders of the Company by way of a Special Resolution after the Consummation of the QIPO, the Promoters, NHPEA and Samara shall individually and not jointly have a right to appoint 1 (One) Director on all the committees of the Board at any given point of time.

Article 127 provides that all acts done by any meeting of the Board, of a committee thereof, or by any person acting as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if even such Director or such person has been duly appointed and was qualified to be a Director.

Article 128 provides that save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India, not being less in number than the quorum fixed of the meeting of the Board or the committee, as the case may be and to all other Directors or Members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

CORPORATION NOMINEE DIRECTORS

Article 131 provides that:

(a) Subject to the provisions of the Act, so long as any moneys remain owing by the Company to financial institutions regulated by the Reserve Bank of India, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any Non-Banking Financial Company regulated by the Reserve Bank of India or any such company from whom the Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforementioned companies of financial institutions holds or continues to hold debentures /shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished on behalf of the Company remains outstanding, and if the loan or other agreement with such institution/ corporation/ company (hereinafter referred to as the "**Corporation**") so provides, the Corporation may, in pursuance of the provisions of any law for the time being in force or of any agreement, have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Director/s is/are hereinafter referred to as "**Corporation Nominee Directors/s**") on the Board of the Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).

(b) The Corporation Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board meetings and of the meetings of the committee of which Corporation Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.

(c) The Company may pay the Corporation Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of the Company the fees, commission, monies and remuneration

in relation to such Corporation Nominee Director/s may accrue to the nominee appointer and same may accordingly be paid by the Company directly to the Corporation.

MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS

Article 133 provides that:

(a) The Board may from time to time and with such sanction of the Central Government as may be required by the Act, appoint one or more of the Directors to the office of the managing director and/ or whole time directors for such term and subject to such remuneration, terms and conditions as they may think fit.

(b) The Directors may from time to time resolve that there shall be either one or more managing directors and/ or whole-time directors.

(c) In the event of any vacancy arising in the office of a managing director and/or whole time director, the vacancy shall be filled by the Board of Directors subject to the approval of the Members.

(d) If a managing director and/or whole time director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing director/whole time director.

Article 134 provides that the managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Article 136 provides that subject to the provisions of the Act:

(a) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board.

(b) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer of the Company at the same time.

(c) A provision of the Act or the Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

DIVIDEND

Article 139 provides that the Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Article 140 provides that subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the Company.

Article 141 provides that:

(a) Where capital is paid in advance of calls on any share, such capital, may carrying interest, shall not confer a right to dividend or to participate in the profits, subsequently declared.

(b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account of Sahajanand Medical Technologies Limited".

(c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act.

(d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

(e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

Article 143 provides that all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Article 144 provides that-

(a) The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit.

(b) The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

Article 147 provides that any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other moneys payable in respect of such shares.

Article 148 provides that any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Article 149 provides that no dividends shall bear interest against the Company.

CAPITALISATION OF PROFITS

Article 151 provides that:

(a) The Company in General Meeting, may, on recommendation of the Board resolve:
  (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and
  (ii) that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

(b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub-clause (c) below, either in or towards:

(i) paying up any amounts for the time being unpaid on shares held by such Members respectively;
(ii) paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or
(iii) partly in the way specified in sub-clause (i) and partly that specified in sub -clause (ii).
(iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.
(v) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.

POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE

Article 152 provides that:

(a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and
(ii) generally do all acts and things required to give effect thereto.

(b) The Board shall have full power:

(i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and

(ii) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.

(c) Any agreement made under such authority shall be effective and binding on such Members.

WINDING UP

Article 162 provides that subject to the applicable provisions of the Act–

(a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

(d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary Member, be liable to make a further contribution as if he were at the commencement of winding up, a Member of an unlimited company, in accordance with the provisions of the Act.

INDEMNITY

Article 164 provides that subject to the provisions of the Act, every Director and officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.

Article 165 provides that the Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

Part B

Part B of the Articles provides for the rights and obligations of the parties to the shareholders' agreement dated December 19, 2017 ("**SHA**"), as amended by Amendment Agreement to the SHA.

The Articles comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the allotment and/or transfer of equity shares of the Company pursuant to the IPO. In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to applicable law, prevail and be applicable. All articles of Part B shall automatically terminate and cease to have any force and effect from the date of allotment and/or transfer of Equity Shares of the Company pursuant to the QIPO and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, delivered to the Registrar of Companies for filing and also the documents for inspection referred to hereunder, may be inspected at our Registered Office and our Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, except for such contracts and documents that will be executed subsequent to the completion of the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

Material Contracts to the Offer

1. Offer Agreement among our Company, the Selling Shareholders and the BRLMs dated September 27, 2021.

2. Registrar Agreement among our Company, the Selling Shareholders and Registrar to the Offer dated September 27, 2021.

3. Escrow and Sponsor Bank Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs, the Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s), the Sponsor Bank and the Registrar to the Offer.

4. Share Escrow Agreement dated [●] between the Company, the Selling Shareholders and the Share Escrow Agent.

5. Syndicate Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs and the Syndicate Members.

6. Underwriting Agreement dated [●] among our Company, the Selling Shareholders and the Underwriters.

7. Monitoring Agency Agreement dated [●] between our Company and the Monitoring Agency.

Material Documents

1. Shareholders' agreement dated December 19, 2017 read with the deed of adherence dated February 23, 2021 entered into amongst NHPEA Sparkle Holding B.V., Samara Capital Markets Holding Limited, Sharada Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Bhargav Dhirajlal Kotadia, Dhirajkumar S. Vasoya, Naynaben D. Vasoya, Shree Hari Trust and our Company ("**SHA**"), as amended by the Amendment Agreement to the SHA dated September 16, 2021.

2. Share Subscription and Share Purchase Agreement dated October 26, 2016 entered into amongst Samara Capital Markets Holding Limited, Sharada Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Bhargav Dhirajlal Kotadia, Dhirajkumar S. Vasoya, Naynaben D. Vasoya and our Company and Share Subscription Agreement dated December 19, 2017 entered into amongst Samara Capital Markets Holding Limited, Sharada Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Bhargav Dhirajlal Kotadia, Dhirajkumar S. Vasoya, Naynaben D. Vasoya and our Company.

3. Share Subscription Agreement dated December 19, 2017 entered into amongst NHPEA Sparkle Holding B.V., Sharada Dhirajlal Kotadia, Dhirajlal Vallabhbhai Kotadia, Bhargav Dhirajlal Kotadia, Dhirajkumar S. Vasoya, Naynaben D. Vas and our Company.

4. Certified copies of the Memorandum of Association and Articles of Association of our Company as

amended from time to time.

5. Our certificate of incorporation dated October 18, 2001 and certificate of incorporation dated May 7, 2021 consequent to change of our name.

6. Resolutions of the Board of Directors dated September 16, 2021 authorising the Offer and noting the Fresh Issue.

7. Resolution of the Shareholders dated September 18, 2021 under section 62(1)(c) of the Companies Act, 2013 authorising the Offer.

8. Resolutions of the Board dated September 18, 2021 and the IPO Committee dated September 27, 2021, respectively approving this Draft Red Herring Prospectus.

9. Resolution of the IPO Committee dated September 27, 2021 taking on record the Offer for Sale.

10. Resolution of the Board of Directors dated [●], approving the Red Herring Prospectus.

11. Consent letters for the Selling Shareholders, each dated September 27, 2021, for participating in the Offer for Sale.

12. Resolutions of the board of directors of Samara Capital Markets Holding Limited and NHPEA Sparkle Holding B.V., the Selling Shareholders, for participation in the Offer for Sale, dated September 22, 2021 and September 15, 2021, respectively.

13. Agreement dated July 31, 2021 among NSDL, our Company and the Registrar to the Offer.

14. Agreement dated July 13, 2021 among CDSL, our Company and the Registrar to the Offer.

15. Copies of auditor's reports of our Company in respect of our audited financial statements for Fiscal Years 2019, 2020 and 2021.

16. Copies of annual reports of our Company for Fiscal Years 2019, 2020 and 2021.

17. Examination report of our Statutory Auditors dated September 18, 2021 on the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus.

18. Statement of special tax benefits available to our Company and its shareholders under direct and indirect tax laws in India from our Statutory Auditors, dated September 18, 2021.

19. Statement of special tax benefits available to SMT Ireland under direct and indirect tax laws which apply in the Republic of Ireland from RBK Business Advisors, dated September 17, 2021.

20. Industry report titled "*Independent Market Report on Vascular Devices Market in Select Geographies*" dated August 20, 2021, prepared and issued by F&S and commissioned by our Company for an agreed fees.

21. Written consent dated September 27, 2021 from Deloitte Haskins & Sells LLP Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 18, 2021 on our Restated Consolidated Financial Information; and (ii) their report dated September 18, 2021 on the Statement of Tax Benefits in this DRHP and such consent has not been withdrawn as on the date of this DRHP. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

22. Consents of the Selling Shareholders, Bankers to our Company, the BRLMs, Syndicate Members, Registrar to the Offer, Escrow Collection Bank(s), Sponsor Bank, Directors of our Company, Company Secretary and Compliance Officer for the Offer, Chief Financial Officer, Public Offer Account Bank(s),

F&S, Indian legal counsel to the Company, Indian legal counsel to the BRLMs, international legal counsel to the BRLMs, Escrow Collection Bank(s), Public Offer Bank(s), Sponsor Bank and, Refund Bank(s) as referred to, in their respective capacities.

23. Written consent of N B T and Co, Chartered Accountants, the independent chartered accountant dated September 27, 2021, to include their name as required under the Companies Act in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013.

24. Consent letter dated September 22, 2021 from Dr. P. J. Gandhi, Chartered Engineer, in relation to certification of the manufacturing capacity and capacity utilisation of the manufacturing facilities owned and/or controlled by our Company.

25. Employment agreement dated January 1, 2018 between the Company and Mr. Bhargav Dhirajlal Kotadia.

26. In-principle listing approvals dated [●] and [●] received from NSE and the BSE, respectively.

27. Due diligence certificate dated September 27, 2021 to SEBI from the BRLMs.

28. SEBI observation letter [●] and the in-seriatim reply of the BRLMs to the same dated [●].

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Dhirajlal Vallabhbhai Kotadia
Chairman

Place: Surat

Date: September 27, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Bhargav Dhirajlal Kotadia
Managing Director

Place: Mumbai

Date: September 27, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Abhishek Rajendrakumar Kabra
Non-executive Director

Place: Mumbai

Date: September 27, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Jose Calle Gordo
Non-executive Director

Place: Cobham, UK

Date: September 27, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Lalit Chandra Reddy
Non-executive Independent Director

Place: Bangalore

Date: September 27, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Ranjal Laxmann Shenoy
Non-executive Independent Director

Place: Mumbai

Date: September 27, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Shukla Wassan
Non-executive Independent Director

Place: Gurugram

Date: September 27, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Vandana Bharat Patravale
Non-executive Independent Director

Place: Mumbai

Date: September 27, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Nitin Agarwal

Place: Mumbai

Date: September 27, 2021

DECLARATION BY SHREE HARI TRUST (ACTING THROUGH ITS TRUSTEE), AS THE SELLING SHAREHOLDER

The trustees of Shree Hari Trust, as a Selling Shareholder confirms and certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus specifically about or in relation to Shree Hari Trust, and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct. The trustee acting on behalf of Shree Hari Trust assumes no responsibility, as a Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF SHREE HARI TRUST

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Kishor Dudhat (in its capacity as a trustee of Shree Hari Trust)

Place: Mumbai, Maharashtra, India

Date: September 27, 2021

DECLARATION BY DHIRAJKUMAR S. VASOYA, AS THE SELLING SHAREHOLDER

Dhirajkumar S. Vasoya confirms that all statements and undertakings made or confirmed by him in this Draft Red Herring Prospectus specifically in relation to himself, as the Selling Shareholder, and the Equity Shares which are being offered by him by way of the Offer for Sale pursuant to the Offer, are true and correct. Dhirajkumar S. Vasoya assumes no responsibility, as a Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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Dhirajkumar S. Vasoya

Place: Surat

Date: September 27, 2021

DECLARATION BY SAMARA CAPITAL MARKETS HOLDING LIMITED, AS THE SELLING SHAREHOLDER

Samara Capital Markets Holding Limited confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus specifically in relation to itself, as the Selling Shareholder, and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct. Samara Capital Markets Holding Limited assumes no responsibility, as a Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF SAMARA CAPITAL MARKETS HOLDING LIMITED

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Gulshan Raj Ramgoolam
Director

Place: Mauritius

Date: September 27, 2021

DECLARATION BY NHPEA SPARKLE HOLDING B.V., AS THE SELLING SHAREHOLDER

NHPEA Sparkle Holding B.V. confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus specifically in relation to itself, as one of the Selling Shareholders, and its respective portion of the Offered Shares, are true and correct. NHPEA Sparkle Holding B.V. assumes no responsibility, for any other statements and undertakings, including any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF NHPEA SPARKLE HOLDING B.V.

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Cathelijne Charlotte Kok
Authorised Signatory

Place: Amsterdam, The Netherlands

Date: September 27, 2021