



**R. NAGPAL ASSOCIATES**  
CHARTERED ACCOUNTANTS

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**Independent Auditor's Assurance Report on the compilation of Proforma Financial Information included in the Draft Red Herring Prospectus in connection with the proposed Initial Public Offer of Yatharth Hospital & Trauma Care Services Limited (formerly Yatharth Hospital & Trauma Care Services Private Limited)**

**To the Board of Directors**  
**Yatharth Hospital & Trauma Care Services Limited**  
**(formerly known as Yatharth Hospital & Trauma Care Services Private Limited)**  
JA 108 DLF Tower A, Jasola District Centre,  
South Delhi, Delhi – 110025, India.

**Report on the Compilation of Proforma Financial Information Included in Draft Red Herring Prospectus ('DRHP')**

1. We have completed our assurance engagement to report on the compilation of Proforma Financial Information of Yatharth Hospital & Trauma Care Services Limited (formerly known as Yatharth Hospital & Trauma Care Services Private Limited) (hereinafter referred to as "the Company", and together with its subsidiaries, the "Group") by the management of the Company. The Proforma Financial Information consists of the proforma statement of assets and liabilities as at September 30, 2021 and March 31, 2021, the proforma statement of profit and loss for the six months period ended September 30, 2021 and for the year ended March 31, 2021 and related notes to the Proforma Financial Information. The applicable criteria on the basis of which the Management of the Company has compiled the Proforma Financial Information are specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations"), as amended from time to time and described in note 2 of the Proforma Financial Information.
2. The Proforma Financial Information has been compiled by the management of the Company to illustrate the impact of the acquisition of Ramraja Multispeciality Hospital & Trauma Centre Private Limited (the "Acquired Enterprise") subsequent to September 30, 2021 and as set out in note 2 to the Proforma Financial Information on the financial position as at September 30, 2021 and March 31, 2021 as if the aforesaid acquisitions had been consummated at a date prior to the first period presented.
3. As part of this process, information about the Company's financial position and financial performance has been extracted by the management of the Company from the Consolidated Restated Financial Information of the Company as of and for the six months ended September 30, 2021 and as of and for the year ended March 31, 2021, on which we have issued an Examination Report dated March, 25, 2022. The information about the financial position and the financial performance of the Acquired Enterprise have been extracted by the management of the Company from the audited special purpose Ind As financial statements of the Acquired Enterprise as of and for the six months ended September 30, 2021 and as of and for the year ended March 31, 2021, on which J P Associates, Chartered Accountants have issued special purpose audit reports dated March 25, 2022 and March 25, 2022, respectively.

**Management's Responsibility for the Proforma Financial Information**

4. The management of the Company is responsible for compiling the Proforma Financial Information on the basis set out in note 2 to the Proforma Financial Information. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Proforma Financial Information on the basis set out in note 2 to the Proforma Financial Information that is free from material misstatement, whether due to fraud or error. The management of the Company is also responsible for identifying



and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of the Proforma Financial Information.

### **Auditor's Responsibilities**

5. Our responsibility is to express an opinion, as required by the SEBI Regulations, about whether the Proforma Financial Information have been compiled, in all material respects, by the management of the Company on the basis set out in note 2 to the Proforma Financial Information (“Applicable Criteria”).
6. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the management of the Company has compiled, in all material respects, the Proforma Financial Information on the basis set out in Applicable Criteria.
7. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information / Restated Consolidated Financial Information / special purpose financial statements used in compiling the Proforma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Proforma Financial Information. For our assurance engagement, we have placed reliance on the following:
  - a) the Restated Consolidated Financial Information of the Company as of and for the six months period ended September 30, 2021 and as of and for the year ended March 31, 2021 on which we have issued our Examination Report dated March 25, 2022;
  - b) the audited special purpose Ind AS financial statements of the Acquired Enterprise as of and for the six months period ended September 30, 2021 and as of and for the year ended March 31, 2021, on which J P Associates, Chartered Accountants, have issued audit reports dated March 25, 2022 and March 25, 2022, respectively.
8. The purpose of Proforma Financial Information included in the draft red herring prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at September 30, 2021 and March 31, 2021 would have been, as presented.
9. A reasonable assurance engagement to report on whether the Proforma Financial Information has been compiled, in all material respects, on the basis of the Applicable Criteria, involves performing procedures to assess whether the Applicable Criteria used by the management of the Company in the compilation of the Proforma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:
  - a) The related proforma adjustments give appropriate effect to those Applicable Criteria; and
  - b) The Proforma Financial Information reflects the proper application of those adjustments to the unadjusted financial information of the Group.

The procedures selected depend on the Auditor’s judgement, having regard to the Auditor’s understanding of the nature of the Group, the event or transaction in respect of which the Proforma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Proforma Financial Information.



10. Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.
11. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

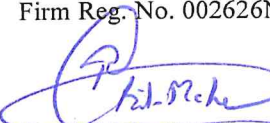
**Opinion**

12. In our opinion, the Proforma Financial Information has been compiled, in all material respects, on the basis set out in the note 2 to the Proforma Financial Information.

**Restriction on Use and Distribution**

13. This report should not in any way be construed as a reissuance or re-auditing or re-examination of any of the previous audit reports issued by us or other auditors. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
14. 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, National Stock Exchange of India Limited and/or BSE Limited and applicable Registrar of Companies in connection with the proposed public offering of the Company and is not to be used, referred to or distributed for any other purpose.

**For R. Nagpal Associates**  
**Chartered Accountants**  
Firm Reg. No. 002626N

  
(Rohit Mehra)

Partner

Membership No:093910

UDIN: 22093910AFQLBC9174

Place: Noida

Date: 25.03.2022



Yatharth Hospital & Trauma Care Services Limited  
(Formerly Known as Yatharth Hospital & Trauma Care Services Pvt. Ltd.)  
Proforma Consolidated Statement of Assets and Liabilities  
(All amounts in million, unless otherwise stated)

Particulars	Retained Consolidated Statement of Assets and Liabilities of Yatharth Hospital & Trauma Care Services Limited		Special Purpose Balance Sheet of Ramraj Multispecialty Hospital & Trauma Centre Pvt Ltd		Proforma Adjustment		Proforma Consolidated Statement of Assets and Liabilities of Yatharth Hospital & Trauma Care Services Limited	
	30-September-2021	31-March-2021	30-September-2021	31-March-2021	30-September-2021	31-March-2021	30-September-2021	31-March-2021
<b>I ASSETS</b>								
Non-current assets								
(a) Property, Plant and Equipment	2,367.20	2,428.37	326.73	349.15	-	-	2,693.93	2,777.52
(b) Intangible Assets	-	-	0.13	0.20	-	-	0.13	0.20
(c) Capital work in progress	14.95	-	-	-	-	-	14.95	-
(d) Right-of-use of assets	65.31	75.63	-	-	-	-	65.31	75.63
(e) Goodwill	11.04	4.12	-	-	357.51	305.22	368.55	309.34
(f) Financial Assets	17.61	15.94	0.36	0.36	-	-	17.97	16.30
(g) Other Financial Assets	34.70	70.44	-	-	-	-	34.70	70.44
(h) Other Non Current Assets	-	-	-	-	-	-	-	-
Total non-current assets	2,510.82	2,594.50	327.22	349.71	357.51	305.22	3,195.55	3,249.43
Current assets								
(a) Inventories	54.68	33.90	-	-	-	-	54.68	33.90
(b) Financial Assets	703.20	307.65	-	-	-	-	703.20	307.65
(c) Trade receivables	20.80	50.00	0.06	0.19	-	-	20.86	50.19
(d) Cash and cash equivalents	1.82	1.52	-	-	-	-	1.82	1.52
(e) Bank Balance other than (iii) above	0.57	18.06	-	-	-	-	0.57	18.06
(f) Current Tax assets (Net)	19.20	22.09	-	0.10	-	-	19.75	22.19
(g) Other Current assets	801.28	493.21	0.11	0.29	-	-	801.39	493.50
Total Assets	3,312.09	3,087.71	327.33	350.00	357.51	305.22	3,996.94	3,742.93
<b>EQUITY AND LIABILITIES</b>								
Equity								
(a) Equity Share Capital	163.79	163.79	40.10	40.10	(40.10)	(40.10)	163.79	163.79
(b) Other Equity	831.32	560.76	(339.50)	(307.62)	359.90	307.62	831.32	560.76
Equity attributable to the owners of the Company	995.12	724.55	(299.40)	(267.52)	319.80	267.52	995.12	724.55
Non Controlling Stake	-	82.28	-	-	-	-	-	82.28
Total Equity	995.12	806.83	(299.40)	(267.52)	319.80	267.52	995.12	806.83
Non-current liabilities								
(a) Financial liabilities	1,451.52	1,637.18	-	1,113.20	-	-	1,451.52	1,750.38
(i) Borrowings	45.31	54.76	-	-	-	-	45.31	54.76
(ii) Lease Liabilities	3.65	0.41	-	-	-	-	3.65	0.41
(b) Provisions	83.16	38.52	(78.60)	(72.16)	-	-	4.56	(33.85)
(c) Deferred tax liabilities (Net)	1,583.64	1,720.87	(78.60)	(40.84)	-	-	1,505.04	1,771.71
Total non-current liabilities	1,583.64	1,720.87	(78.60)	(40.84)	-	-	1,505.04	1,771.71
Current liabilities								
(a) Financial liabilities	269.42	223.91	597.92	483.63	-	-	867.44	707.54
(i) Borrowings	18.68	18.26	-	-	-	-	18.68	18.26
(ii) Lease Liabilities	-	-	-	-	-	-	-	-
(iii) Trade payables	-	-	-	-	-	-	-	-
(b) Total outstanding dues of Micro Enterprises and Small Enterprises	254.84	165.33	0.19	0.14	-	-	255.03	165.47
(c) Total outstanding dues of creditors, other than Micro Enterprises and Small Enterprises	134.52	107.20	127.39	92.83	37.71	37.71	319.82	237.74
(d) Other financial liabilities	12.30	35.25	0.64	0.08	-	-	12.34	35.33
(e) Other current liabilities	23.47	0.06	-	-	-	-	23.47	0.06
Total current liabilities	733.34	550.01	725.74	576.68	37.71	37.71	1,496.78	1,164.40
Total Equity and Liabilities	3,312.09	3,087.71	327.33	350.00	357.51	305.22	3,996.94	3,742.93

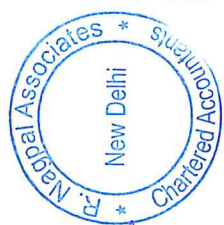
Note: The above statement should be read with notes to the Proforma Financial Information

As per our report of even date

For R Nagpal Associates  
Chartered Accountants  
Firm Registration No. 0262928N

Ramji Mehra  
Partner  
M.No. 093910  
Place: Noida

Date: 25.03.2022



On behalf of the Board of Directors  
Yatharth Hospital & Trauma Care Services Limited  
CIN: U85100DL2006PLC074706

Alay Kumar Tyagi  
Chairman & Executive Director  
DIR: 018107920  
Place: Noida

Date: 25.03.2022

Kapil Kumar  
Managing Director  
DIR: 018107920  
Place: Noida

Date: 25.03.2022

Rishabh Mishra  
Co. Secretary & Compliance Officer  
M. No 51166  
Place: Noida

Date: 25.03.2022

Pankaj Prabhakar  
CFO  
AGFPP2937A  
Place: Noida

Date: 25.03.2022

Amit Kumar Singh  
Chief Executive Officer  
PAN: BFZP8618NA  
Place: Noida

Date: 25.03.2022

Proforma Consolidated Statement of Profit and Loss  
(All amounts in million, unless otherwise stated)

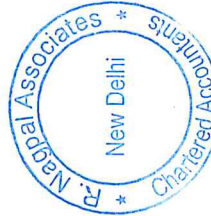
Particulars	Restated Consolidated Statement of Profit and Loss of Yatharth Hospital & Trauma Care Services Limited for the period ended		Special Purpose Profit and Loss of Ramraja Multispecialty Hospital & Trauma Centre Pvt Ltd		Acquisition Adjustment		Proforma Consolidated Statement of Profit and Loss for the period ended	
	As at 30-September-2021	As at 31-March-2021	As at 30-September-2021	As at 31-March-2021	As at 30-September-2021	As at 31-March-2021	As at 30-September-2021	As at 31-March-2021
I Revenue from operations	2,109.69	2,286.74	-	-	-	-	2,109.69	2,286.74
II Other income	8.60	5.15	-	11.07	-	-	8.60	16.22
III Total Income (I+II)	2,118.29	2,291.89	-	11.07	-	-	2,118.29	2,302.96
IV Expenses:								
Cost of material consumed	433.39	463.18	-	-	-	-	433.39	463.18
Employee benefits expenses	380.59	466.88	1.12	1.69	-	-	381.71	468.57
Finance cost	109.06	188.44	34.77	63.79	-	-	143.84	252.22
Depreciation and amortization expenses	125.86	205.60	22.49	47.25	-	-	148.34	252.85
Other expenses	658.16	686.56	0.15	0.61	-	-	658.31	687.17
Total expenses	1,707.07	2,010.66	58.53	113.33	-	-	1,765.59	2,123.99
V Profit/(Loss) before exceptional items and tax (III-IV)	411.22	281.23	(58.53)	(102.26)	-	-	352.70	178.97
VI Exceptional items (Net) (Gain)/Loss	-	-	-	-	-	-	-	-
VII Profit/(Loss) before tax (V-VI)	411.22	281.23	(58.53)	(102.26)	-	-	352.70	178.97
VIII Tax expense:								
(1) Current tax	97.14	50.37	-	(0.00)	-	-	97.14	50.37
(2) Income tax of earlier years	-	-	-	-	-	-	-	-
(3) MAT credit availed/reversed	24.25	(16.63)	-	-	-	-	24.25	(16.63)
(4) Deferred tax (net)	20.06	51.61	(6.24)	(13.10)	-	-	13.83	38.50
Total tax expenses	141.45	85.36	(6.24)	(13.11)	-	-	135.22	72.25
IX Profit/(Loss) for the period (VII-VIII)	269.77	195.88	(52.29)	(89.15)	-	-	217.48	106.72
X Other comprehensive income								
(a) Items that will not be reclassified to profit or loss								
(i) Income tax relating to items that will not be reclassified to profit or loss	1.12	0.02	-	-	-	-	1.12	1.12
(b) (1) Items that will be reclassified to profit or loss	(0.33)	(0.01)	-	-	-	-	(0.33)	(0.33)
(ii) Income tax relating to items that will be reclassified to profit or loss	0.80	0.02	-	-	-	-	0.80	0.80
Other comprehensive income for the period	270.57	195.90	(52.29)	(89.15)	-	-	218.28	107.52
Total comprehensive income (IX+X) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)	-	14.28	(52.29)	(89.15)	-	-	-	-
Less: Profit/(Loss) attributable to minority shareholders	-	-	-	-	-	-	-	-
Profit and Loss attributable to Shareholders	270.57	181.62	(52.29)	(89.15)	-	-	218.28	107.52
XII Earnings per equity share								
(1) Basic	4.13	2.99	(13.04)	(22.23)	-	-	3.33	1.63
(2) Diluted	4.13	2.99	(13.04)	(22.23)	-	-	3.33	1.63

Note: The above statement should be read with notes to the Proforma Financial Information

As per our report of even date

For R. Nagpal Associates  
Chartered Accountants  
Firm Registration No. 002626N

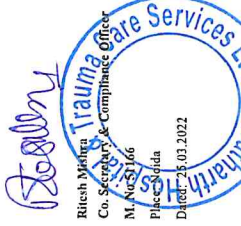
Rohit Mehra  
Partner  
M.No.093910  
Place: Noida  
Dated: 25.03.2022



On behalf of the Board of Directors  
Yatharth Hospital & Trauma Care Services Limited  
CIN : U55110DL2008PTC174206

Ajay Kumar Tyagi  
Chairman & Executive Director  
DIN: 0179286  
Place: Noida  
Dated: 25.03.2022

Kajal Kumar  
Managing Director  
DIN: 0181836  
Place: Noida  
Dated: 25.03.2022



Ritesh Mehra  
Co. Secretary & Compliance Officer  
M.No.03106  
Place: Noida  
Dated: 25.03.2022

Pankaj Prabhakar  
CFO  
PAN: AGFFP2937A  
Place: Noida  
Dated: 25.03.2022

Amit Kumar Singh  
Chief Executive Officer  
PAN: BEZPS6168A  
Place: Noida  
Dated: 25.03.2022

**Notes to the proforma financial information as at and for the year ended March 31, 2021 and as at and for the six month ended September 30, 2021**

**1. Background**

Yatharth Hospital & Trauma Care Services Private Limited (formerly known as Yatharth Hospital & Trauma Care Services Private Limited) (the “Company”) and its subsidiaries (collectively referred to as “the Group”) with registered office located at JA, 108 DLF, Tower A, Jasola District, Centre South Delhi, Delhi – 110025, India.

The Group is engaged in the business of providing healthcare services, operating hospitals and other allied services, as may be required for the provision of healthcare services.

On 18<sup>th</sup> February 2022, the Company executed a Share Purchase Agreement with shareholders of the Ramraja Multispecialty Hospital & Trauma Centre Private Limited (“Ramraja”) for acquisition of 100% stake in Ramraja for a total consideration of INR 37.17 million.

**2. Basis of Preparation**

The proforma financial information of the Company comprising the consolidated proforma statement of assets and liabilities as at September 30, 2021 and as at March 31, 2021, the consolidated proforma statement of profit and loss for the six months period ended September 30, 2021 and for the year ended March 31, 2021, read with the notes to the proforma financial information, have been prepared to reflect the acquisition of Ramraja. The proforma financial information of Company has been compiled based on Restated Consolidated Financial Information of the Company and the special purpose Ind As financials of Ramraja. Because of their nature, the proforma financial information addresses a hypothetical situation and therefore, do not represent the Company’s actual consolidated financial position as at September 30, 2021 and March 31, 2021 nor does it represent the Company’s consolidated financial results for the six months ended September 30, 2021 and year ended March 31, 2021.

The proforma financial information purport to indicate financial condition and the results of operations that would have resulted had the acquisition been completed at the beginning of the period presented and the consolidated financial position had the acquisition been completed as at the year/ period end, but are not intended to be indicative of expected results or operations in the future periods or the future financial position of the Group.

As explained in the notes, the proforma consolidated statement of assets and liabilities as at September 30, 2021 and March 31, 2021 has been prepared to reflect the acquisition of Ramraja as of September 30, 2021 and March 31, 2021 as if the transaction occurred on September 30, 2021 and March 31, 2021 respectively. Further, the proforma consolidated profit and loss for the six month period ended September 30, 2021 and the year ended March 31, 2021 has been prepared to reflect the acquisition of Ramraja as if the transaction occurred on April 1, 2021 and April 1, 2020 respectively. The financial year-end of the Company and that of Ramraja is March 31. The adjustments made to the proforma financial information are included in the note 3 below.

The proforma financial information is based on:

- a) the restated consolidated statement of assets and liabilities of the Company as at September 30, 2021 and March 31, 2021 and the restated consolidated statement of profit and loss of the Company for the six months ended September 30, 2021 and for the year ended March 31, 2021; and
- b) the audited special purpose financial statements of Ramraja prepared in accordance with Ind AS as at and for the six months ended September 30, 2021 and as at and for the year ended March 31, 2021 on which JP Associates, Chartered Accountants has expressed an unmodified audit opinion in their reports dated 25<sup>th</sup> March, 2022 and 25<sup>th</sup> March, 2022, respectively.



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**Notes to the proforma financial information as at and for the year ended March 31, 2021 and as at and for the six month ended September 30, 2021**

The proforma adjustments listed in the consolidated proforma statement of assets and liabilities and consolidated proforma statement of profit and loss are based upon available information and assumptions that the management of the Company believes to be reasonable. Such proforma financial information has not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma financial information should be limited. In addition, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare these proforma financial statements.

**3. Proforma adjustments**

**Acquisition related adjustments**

The following adjustments have been made to proforma balance sheet:

- a) Acquisition of equity shares in Ramraja for a consideration of INR 37.17 million to acquire 100% of equity share capital.
- b) The consideration payable for the acquisition, aggregating to INR 37.17 million, is recorded as a liability in the proforma financial information on April 1, 2020 and April 1, 2021, respectively.
- c) The Acquisitions have been recorded on the basis of Ind AS 103 Business Combinations.

The purchase price of INR 37.17 million as on the date of acquisition had been allocated to the acquired assets and liabilities as follows:

(INR in million)

Particulars	September 30, 2021	March 31, 2021
Total Purchase consideration	37.17	37.71
Assets acquired	327.33	350.00
Liabilities assumed	725.74	689.88
Deferred tax Assets	78.60	72.36
Goodwill	357.51	305.22

Goodwill have been calculated on the basis of allocation of purchase consideration to assets acquired and liabilities assumed by the Group based on their respective book values as at September 30, 2021 and March 31, 2021, respectively.

- d) The difference between the assets acquired and liabilities assumed of the Acquired Enterprise being the net asset value, included in the special purpose Ind AS financial statements of the Acquired Enterprise, has been reversed as part of the business combination accounting, in the proforma consolidated statement of assets and liabilities.

There are no adjustments made to the proforma statement of profit and loss.

**4. Use of proceeds of proposed Initial public offer**

Even though one of the objects of the proposed initial public offering is to repay a part of the debt, since the proforma consolidated financial information has been prepared for purposes of illustrating the hypothetical impact of the acquisition of Acquired Enterprise, no adjustment has been made for the use of proceeds or related transaction costs.



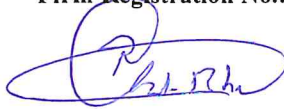
Notes to the proforma financial information as at and for the year ended March 31, 2021 and as at and for the six month ended September 30, 2021

5. Earnings per share (EPS)

The Proforma EPS calculation for the year ended March 31, 2021 and for the six months period ended September 30, 2021 has been made based on Proforma Statement of Profit and Loss of respective year / period for which proforma financial information have been presented.

6. Other than as mentioned above, no additional adjustments have been made to the consolidated proforma statement of assets and liabilities or statement of profit and loss to reflect any other transactions of the Group entered into subsequent to September 30, 2021.

For R. Nagpal Associates  
Chartered Accountants  
Firm Registration No.: 002626N



(Rohit Mehra)  
Partner  
Membership No.: 093910



Place: Noida  
Dated: 25.03.2022

For and on behalf of the Board of Directors



Ajay Kumar Tyagi  
Director  
DIN: 01792886



Kapil Kumar  
Director  
DIN: 01818736



Ritesh Mishra  
Co. Secretary  
M. NO. 51166



Pankaj Prabhakar  
CFO  
PAN: AGFPP2937A



Amit Kumar Singh  
Chief Executive  
Officer  
PAN: BFZPS6168A