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ANNEXURE III

July 23, 2024

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

Dear Sir/ Madam,

Re: Proposed initial public offering of equity shares of face value of ₹2 each (“Equity Shares”) of Suraksha Diagnostic Limited (the “Company”), comprising an offer for sale of up to 19,189,330 Equity Shares by certain shareholders of the Company (such shareholders, the “Selling Shareholders”) (the “Offer for Sale”, and such initial public offering, the “Offer”)

We, ICICI Securities Limited, Nuvama Wealth Management Limited (*formerly known as Edelweiss Securities Limited*) and SBI Capital Markets Limited, the book running lead managers to the Offer (the “**BRLMs**”), appointed by the Company and Selling Shareholders to manage the Offer, confirm that:

- (1) We have examined various documents including those relating to litigation, including commercial disputes, trademark disputes, labour disputes, etc. and other documents in connection with the finalisation of the draft red herring prospectus dated July 23, 2024 (“**DRHP**”) pertaining to the Offer; **Complied with, to the extent applicable**
- (2) On the basis of such examination and the discussions with the Company, its Directors and other officers, other agencies and independent verification of the statements concerning the objects of the Offer, price justification and the contents of the documents and other papers furnished by the Company, we confirm that:
 - (a) the DRHP filed with the Securities and Exchange Board of India (“**SEBI**”) is in conformity with the documents, materials and papers which are material to the Offer;
 - (b) all material legal requirements relating to the Offer as specified by the SEBI, the Central Government and any other competent authority in this behalf have been duly complied with; and
 - (c) the material disclosures made in the DRHP are true and adequate to enable the investors to make a well-informed decision as to the investment in the proposed Offer and such disclosures are in accordance with the requirements of the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and other applicable legal requirements.
- (3) Besides ourselves, all the intermediaries named in the DRHP are registered with the SEBI and that until

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date such registrations are valid. **Complied with and noted for compliance.**

- (4) We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments. **Noted for compliance.**
- (5) Written consent from the Promoters have been obtained for inclusion of its Equity Shares as part of the promoter's contribution subject to lock-in and the Equity Shares proposed to form part of the promoter's contribution subject to lock-in, shall not be disposed or sold or transferred by the promoters during the period starting from the date of filing the DRHP with the SEBI until the date of commencement of lock-in period as stated in the DRHP. **Complied with and noted for compliance.**
- (6) All applicable provisions of the SEBI ICDR Regulations, which relate to Equity Shares ineligible for computation of promoter's contribution, have been and shall be duly complied with and appropriate disclosures as to compliance with the said regulation(s) have been made in the DRHP. **Complied with and noted for compliance.**
- (7) All applicable provisions of the SEBI ICDR Regulations which relate to receipt of promoter's contribution prior to opening of the Offer, shall be complied with. We confirm that arrangements have been made to ensure that promoter's contribution shall be received at least one day before the opening of the Offer. We undertake that auditor's certificate to this effect shall be duly submitted to the SEBI. We further confirm that arrangements have been made to ensure that the promoter's contribution will be kept in an escrow account with a scheduled commercial bank and shall be released to the Company along with the proceeds of the Offer. **Not applicable.**
- (8) Necessary arrangements have been made to ensure that the monies received pursuant to the Offer are credited or transferred in a separate bank account as per the provisions of sub-section (3) of Section 40 of the Companies Act, 2013, as amended, and that such monies shall be released by the said bank only after permission is obtained from all the Stock Exchanges and that the agreement entered into between the Bankers to the Offer and the Company specifically contains this condition. **Noted for compliance.**
- (9) The existing business as well as any new business of the Company for which funds are being raised fall within the 'main objects' in the object clause of the Memorandum of Association of the Company or the charter of the Company and that the activities which have been carried on in the last ten years are valid in terms of the object clause of the Memorandum of Association of the Company. **Complied with to the extent applicable.**
- (10) Following disclosures have been made in the DRHP:
 - (a) An undertaking from the Company that at any given time, there shall be only one denomination for the Equity Shares of the Company excluding SR equity shares, where the Company has outstanding SR equity shares; **Complied with to the extent applicable. There are no SR equity shares issued by the Company;** and
 - (b) An undertaking from the Company that it shall comply with all disclosure and accounting norms specified by the SEBI. **Complied with and noted for compliance.**

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- (11) We shall comply with the regulations pertaining to advertisements in terms of the SEBI ICDR Regulations. **Noted for compliance.**
- (12) We certify that the entity is eligible to list on the innovators growth platform in terms of the provisions of Chapter X of SEBI ICDR Regulations. **Not applicable.**

We enclose Annexure IIIA, a note explaining how the process of due diligence has been exercised by BRLMs, including in relation to the business of the Company, the risks in relation to the business, experience of its Promoters and that the related party transactions entered into for the period disclosed in the DRHP have been entered into by the Company in accordance with applicable laws.

We enclose a checklist confirming regulation-wise compliance with the applicable provisions of the SEBI ICDR Regulations, containing details such as the regulation number, its text, the status of compliance, page number of the DRHP where the regulation has been complied with and our comments, if any. **Please refer to Annexure III B to this certificate.**

All capitalized terms used herein and not specifically defined shall have the same meaning ascribed to such terms in the DRHP.

Encl.: Annexures as above

Thanking you,

Sincerely,

[Reminder of this page intentionally left blank]

(Signature pages to follow)

		
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This signature page forms an integral part of the letter submitted to SEBI, in relation to the initial public offering of Suraksha Diagnostic Limited.

For ICICI Securities Limited




Authorized Signatory

Name: Rupesh Khant

Designation: SVP

		
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This signature page forms an integral part of the letter submitted to SEBI, in relation to the initial public offering of Suraksha Diagnostic Limited.

For Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited)

 

Authorised Signatory

Name: Sachin Khandelwal

Designation: ED & Co Head ECM Corporate Finance

		
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This signature page forms an integral part of the letter submitted to SEBI, in relation to the initial public offering of Suraksha Diagnostic Limited.

For SBI Capital Markets Limited

Sambit Rath



Authorized Signatory

Name: Sambit Rath

Designation: Vice President

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ANNEXURE IIIA

Note explaining how the process of due diligence has been exercised

In connection with the draft red herring prospectus dated July 23, 2024 (“**DRHP**”), we, the BRLMs, have carried out a due diligence exercise on the Company for the purposes of complying with the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and other applicable laws, and to the extent that it is customary for initial public offerings of this nature in India, along with other professionals and experts engaged in connection with the Offer.

All capitalized terms used herein and not specifically defined shall have the same meanings ascribed to such terms in the DRHP.

The due diligence process carried out by us and the Legal Counsels (*defined below*) commenced with interactions with the Promoters, Whole-Time Directors, Chief Financial Officer, Company Secretary and Compliance Officer, other Key Managerial Personnel and Senior Management Personnel, and other members of the senior management of the Company to gain an understanding, amongst other matters, of the business of the Company, key risks involved, the background of the Promoters and financial overview of the Company, amongst other matters. In this regard, the Company was provided with a due diligence questionnaire and information requisition lists prepared in consultation with the Legal Counsels (defined below). In response to the questionnaire and the requisition lists, the Company provided supporting documents for review and diligence, and gave clarifications and explanations to the queries raised. In order to facilitate such review, the Company set-up an online data room where copies of such relevant documents were made available for undertaking the due diligence.

In connection with the Offer, Indus Law has been appointed as the legal advisors to the Company as to Indian law and as legal advisors to the Selling Shareholders as to Indian Law and J. Sagar & Associates has been appointed as legal advisors to the BRLMs as to Indian law (collectively, the “**Legal Counsels**”). The Legal Counsels have assisted the BRLM in carrying out the due diligence and drafting of the DRHP in compliance with the SEBI ICDR Regulations and other applicable laws, and advising the Company and the BRLMs on other legal matters, in relation to the Offer, including for the purpose of issuing legal opinions in relation to the Offer to the BRLMs.

We were also assisted by the current statutory auditor of the Company, M/s M S K A & Associates, Chartered Accountants (the “**Statutory Auditor**”) in the financial due diligence, who have provided their examination report dated July 20, 2024 on the Restated Consolidated Financial Information as of and for Fiscal 2022, 2023 and 2024, included in the DRHP, and have delivered a customary comfort letter to the BRLMs confirming the accuracy of the financial information contained in the DRHP. In addition, M/s Manian and Rao, Chartered Accountants (the “**Independent Chartered Accountant**”) have verified and provided certifications with respect to certain information included in the DRHP, including average cost of acquisition of equity shares by the Promoters and Selling Shareholders, weighted average price of securities for certain specified periods, compliance with corporate governance requirements by the Company, details of any amounts outstanding to micro, small and medium enterprises and other creditors of the Company and certain key performance and other operational indicators of the Company. We were also assisted by Manish Ghia & Associates, an independent practising company secretary (“**Independent PCS**”), who verified and certified compliance with Companies Act, 2013 by the Company, in relation to issuance of securities since its incorporation, as well certain confirmations on ESOP Scheme implemented by the Company. Further, Shwetendu Sharad Dhanuka, independent chartered engineers (“**Independent Chartered Engineers**”) verified certain operational data of the Company in relation to its diagnostics centres, sample collection centres, polyclinic chambers, clinics, laboratories and other centres and

		
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establishments operated by the Company.

The Company has also commissioned and paid CRISIL Market Intelligence & Analytics (“**CRISIL MI&A**”) for the report titled ‘*Assessment of the diagnostics industry in India*’ dated July 2024 (the “**CRISIL Report**”), which has been relied on for disclosures relating to industry information in the DRHP.

Capitalised terms used but not defined herein shall have the meaning assigned to such terms in the DRHP.

1. **Business and Commercial Diligence**

The due diligence process in relation to general business and commercial matters included:

- (a) Organizing and attending a kick-off discussion with the Company to develop an understanding of the business, history and other matters of the Company and the industry overview and the regulatory environment, which were attended by members of the Company team, BRLMs, Legal Counsels and the Statutory Auditors. A broad overview of the business of the Company, the industry in which they operate, the regulatory framework with respect to the business, the corporate structure, the capital structure, financials and shareholding pattern of the Company were presented, followed by interactive discussions.
- (b) Regular interactions with the senior management of the Company as well as the senior personnel from the secretarial, legal and finance departments and the Statutory Auditor, for the purpose of gaining an understanding about the business, the risks involved and the financial overview of the Company, amongst other matters. These interactions included: (i) due diligence calls, drafting sessions, physical interactions, virtual meetings and conference calls to discuss the disclosures in the DRHP; (ii) due diligence calls with the Statutory Auditor and the Independent Chartered Accountant for certain disclosures in the DRHP, including key operational data and information; (iii) due diligence calls with key suppliers and customers of the Company; (iv) seeking appropriate clarifications from the Company, the Statutory Auditor and the Independent Chartered Accountant with respect to key financial, financial related and/ or operational data, and other information in the DRHP; (v) bring down due diligence call with representatives of the management of the Company to receive updated information from the Company before filing the DRHP; and (vi) obtaining appropriate certifications from the Company, its Subsidiaries, its Directors, its Key Managerial Personnel, its Senior Management personnel, its Promoters, members of the Promoter Group, Group Companies, the Statutory Auditors, the Independent Chartered Accountant, the Independent PCS, the Independent Chartered Engineer and the Selling Shareholders. Further, we also interacted with the representatives of the Selling Shareholders and their legal counsel to prepare the disclosures in the DRHP in relation to the respective Selling Shareholders and the Equity Shares offered by them in the Offer for Sale. These interactions were conducted with an objective to assist the Company to prepare disclosures in the DRHP. We shall continue to undertake these interactions and due diligence calls until the allotment of Equity Shares in the Offer. A physical site visit to the Registered and Corporate Office of the Company, and certain diagnostic centres, were also carried out, for our due diligence in order to understand the Company’s day-to-day operations and key business processes.
- (c) Interacting with the industry consultant, CRISIL MI&A, and reviewing the CRISIL Report, exclusively commissioned and paid for by the Company for the purposes of understanding the

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industry the Company operates in, exclusively in connection with the Offer. Further, we conducted a due diligence call with CRISIL MI&A, and necessary consent was obtained from CRISIL MI&A to disclose the contents of the CRISIL Report in the DRHP.

- (d) Requesting the Company to provide documents including based on the requirements under the SEBI ICDR Regulations in a virtual data room or through e-mail, and reviewing those documents along with the Legal Counsels, as is customary in such transactions.
- (e) Interacting with the Whole-Time Directors, Chief Financial Officer, Company Secretary and Compliance Officer and other Key Managerial Personnel and Senior Management Personnel of the Company to understand, among others, the Company’s day to day operations, key business processes and to verify the disclosures being made in the DRHP.
- (f) Obtaining certificates, confirmations, formal representations and undertakings from and on behalf of, as applicable, the Company, Promoters, members of the Promoter Group, Group Companies, Directors, Subsidiaries, Key Managerial Personnel, Senior Management Personnel, the Selling Shareholders, the Statutory Auditors, Independent Chartered Accountant, the Independent Chartered Engineer and Independent PCS in support of certain disclosures made in the DRHP.
- (g) Reviewing, together with the Legal Counsels, certain business-related documents pertaining to the Company, including: (a) business acquisition agreements; (b) arrangements with franchises; (c) agreements with customers and suppliers, etc.; and (d) trademark agreement. Where such agreements and other documents, as applicable, were large in number and standard in form, we have carried out our review on a sample basis for the disclosures made in this regard in the DRHP.
- (h) Reviewing the audit committee resolution dated July 20, 2024, pursuant to which the audit committee (a) noted the key performance indicators (“KPIs”) pertaining to the Company disclosed to investors at any point of time during the three years’ period prior to the date of filing of DRHP, (b) identified the KPIs disclosed in the “Basis for Offer Price” section of the DRHP, and (c) and took on record the certificate from the Independent Chartered Accountant for the KPIs.
- (i) Obtaining circle-ups from the Statutory Auditors on financial information and certification/circle-ups from the Independent Chartered Accountant for the KPIs, operational data and certain financial related information included in the DRHP.
- (j) Obtaining certificates from Manish Ghia & Associates, the Independent PCS, on, among others, compliance with Companies Act, 2013 in relation to issuance of securities since incorporation of the Company and all secondary transactions of Equity Shares of the Company.
- (k) For certain information, relying on management certificates from the Company for compliance with the SEBI ICDR Regulations.

2. *Objects of the Offer*

As the Offer comprises an offer for sale by certain existing shareholders of the Company, the Company will not receive any proceeds from the Offer and all such proceeds (net of any Offer related expenses to be borne by the Selling Shareholders) will go to the Selling Shareholders, in proportion to the Offered

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Shares sold by the respective Selling Shareholder as part of the Offer.

3. Industry Information

The industry related information contained in the DRHP, including sections titled “*Industry Overview*”, “*Our Business*”, “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, has been sourced from the CRISIL Report, which has been exclusively commissioned and paid for by the Company in connection with the Offer. A copy of the Report is available on the website of the Company at the following link: www.surakshanet.com/investor-relations.

We have received a written consent from CRISIL MI&A to include extracts of the CRISIL Report in the DRHP and other Offer related documents.

4. Outstanding litigation proceedings and dues to creditors

The Company has disclosed outstanding litigation involving the Company, Promoters, Directors, Subsidiaries and Group Companies, as applicable, in accordance with the requirements under SEBI ICDR Regulations.

The Company has provided a list of outstanding litigation involving the Company and its Subsidiaries, as well as supporting documents for material proceedings involving the Company and its Subsidiaries, to the extent applicable. Further, we interacted with the relevant representatives of the Company to understand the status of various pending proceedings involving the Company and its Subsidiaries (where applicable). For disclosures relating to outstanding litigation involving the Promoters, Group Companies and the Directors, the Company has provided certifications received from such persons.

Pursuant to requirements of the SEBI ICDR Regulations, the following have been disclosed in the DRHP: (i) outstanding criminal proceedings (including matters which are at FIR stage even if no cognizance has been taken by any court) involving the Company, its Promoters, Directors, Group Companies and Subsidiaries (together, the “**Relevant Parties**”); (ii) outstanding actions (including all penalties and show cause notices) taken by statutory or regulatory authorities against the Relevant Parties; (iii) outstanding tax matters involving the Relevant Parties regarding claims related to direct and indirect taxes (disclosed in consolidated manner giving the number of cases and total amount involved; and (iv) outstanding material civil litigations (including arbitration proceedings) involving the Relevant Parties, identified pursuant to the Materiality Policy (defined below) adopted by the Company.

The Company has considered as “material” each such case:

- (i) the aggregate monetary amount of claim involved, whether by or against the Relevant Parties, in any such pending litigation exceeds the lower of the following: (a) two percent of revenue from operations, being ₹ 43.74 million as per the last Restated Consolidated Financial Information i.e. during Fiscal 2024; (b) two percent of net worth, being ₹ 35.88 million as per the last Restated Consolidated Financial Information i.e. as on March 31, 2024; or (c) five percent of the average of absolute value of profit or loss after tax, being ₹ 8.34 million as per the last three years' Restated Consolidated Financial Information i.e. during Fiscals 2024, 2023, and 2022 (the “**Materiality Threshold**”), and accordingly, all litigation involving the Relevant

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Parties, in which the amount involved is equal to or exceeds ₹ 8.34 million have been considered as material, if any;

- (ii) pending litigations where the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold; or
- (iii) such pending litigation the outcome of which is material from the perspective of the Company's business, operations, financial results, prospects or reputation, irrespective that the amount involved in such litigation may not meet the Materiality Threshold or that the monetary liability of such litigation is not quantifiable.

Further, pre-litigation notices (other than those issued by governmental, statutory, or regulatory authorities) received by the Company, its Subsidiaries, Directors or Promoters have not been considered as material litigation until such time that any of the Relevant Parties, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

Outstanding legal proceedings in relation to direct and indirect taxes involving the Company, its Subsidiaries, its Directors and the Promoters have been disclosed giving details of number of cases and total amount involved in such proceedings. With respect to such proceedings, we have relied on a list provided by the Company and the certifications received from the Promoters, Directors and Subsidiaries, as well as the Independent Chartered Accountant.

Material creditors have been disclosed in the DRHP. Pursuant to the SEBI ICDR Regulations and the Materiality Policy, outstanding dues to any creditor (on the basis of trade payables) of the Company having a monetary value which exceeds 5% of the total outstanding dues to creditors. In terms of the policy on materiality, outstanding dues to any creditor of the Company having monetary value which exceed ₹ 7.20 million, which is 5% of the total outstanding dues (i.e., consolidated trade payables) of the Company at the end of the most recent period covered in the Restated Consolidated Financial Information of the Company has been included in the Draft Red Herring Prospectus, shall be considered as 'material'. 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 the Company regarding status of the creditor under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006.

5. **Promoters, members of the Promoter Group, Directors, Key Managerial Personnel, Senior Management and Selling Shareholders**

For the purposes of making certain disclosures with respect to the Promoters, members of the Promoter Group, Directors, Key Managerial Personnel, Senior Management and Selling Shareholders, we have obtained certifications from the relevant entities/ persons.

For the purposes of disclosure of the educational qualifications and professional experience of Directors and Key Managerial Personnel and Senior Management of the Company, reliance was placed *inter alia* on relevant degree certificates/ marksheets, experience certificates issued by previous and current employers and other back-up documents, as applicable.

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Confirmations have been received from the Company, the Selling Shareholders, Directors, Promoters and members of the Promoter Group stating that they are not prohibited from accessing the capital market 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. We have also received confirmations from the Company, Promoters or Directors that they are not wilful defaulters or fraudulent borrowers as defined under the SEBI ICDR Regulations. We have also received confirmation from the Company that none of its Promoters or Directors are ‘fugitive economic offenders’ as per the definition in SEBI ICDR Regulations. Additionally, confirmations have also been obtained from the Company, Promoters and other members of the Promoter Group and Selling Shareholders, in respect of their compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent in force and applicable to them, in relation to the Company and its securities, as on the date of the DRHP.

In terms of the SEBI ICDR Regulations, the applicable accounting standards and the resolution passed by the Board of Directors of the Company at its meeting held on July 20, 2024, ‘group companies’ of the Company shall include (i) the companies (other than its Subsidiaries) with which there were related party transactions, in accordance with Ind AS 24, as disclosed in the Restated Consolidated Financial Information; and (ii) such other companies as considered material by the Board of Directors of the Company. For the purpose of (ii) above, the Bo has considered companies forming part of the Promoter Group with whom the Company has entered into related party transactions during the last completed financial year which cumulatively exceeds 10% of the total revenue of our Company for the last completed financial year as per the Restated Consolidated Financial Information, as a group company.

6. *Financial information and Financial Indebtedness of the Company*

Due diligence was conducted on financial matters, which included virtual meetings and due diligence call with the Statutory Auditor, discussions with the finance department of the Company, review of the Statutory Auditors’ examination report and Restated Financial Information, and review of the certificates from the Statutory Auditor, Independent Chartered Accountant and other related documents.

The DRHP includes and presents the Restated Consolidated Financial Information of the Company comprising of the restated consolidated statement of assets and liabilities as at March 31, 2024, March 31, 2023, and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the financial years ended March 31, 2024, March 31, 2023, March 31, 2022, the summary statement of material accounting policies, and other explanatory information prepared in terms of the requirements of Ind AS and Section 26 of Part I of Chapter III of Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)”, as amended issued by Institute of Chartered Accountants of India.

We were also assisted by the Statutory Auditor, M/s M S K A & Associates, Chartered Accountants in the financial due diligence, who have provided their examination report dated July 20, 2024 on the Restated Consolidated Financial Information as of and for Fiscal 2022, 2023 and 2024, included in the DRHP, and have delivered a comfort letter to the BRLMs confirming the accuracy of the financial information contained in the DRHP.

In addition, M/s Manian and Rao, Chartered Accountants, the Independent Chartered Accountant, have verified and provided certifications with respect to certain information included in the DRHP, including average cost of acquisition of equity shares by the Promoters and Selling Shareholders, weighted average

		
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price of securities for certain specified periods, compliance with corporate governance requirements by the Company, details of any amounts outstanding to micro, small and medium enterprises and other creditors of the Company and certain key performance and other operational indicators of the Company, compliance of related party transactions with applicable law, as well as in relation to the computation of Company's restated consolidated net tangible assets (including the percentage thereof which are held in monetary assets), Company's restated consolidated net worth and average restated consolidated operating profit/ loss for the past three Fiscals. We have relied on the statement of possible special tax benefits available to the Company and its Shareholders issued by the Statutory Auditor. As on the date of the DRHP, the Statutory Auditor and the Independent Chartered Accountant hold valid peer review certificates.

In relation to the information disclosed in summarized form in the section "*Financial Indebtedness*" of the DRHP, the relevant sanction letters and agreements issued by the lenders as well as other financing related documents were made available. On the basis of our review, relevant intimations were made to and consent was obtained from the relevant lenders in connection with the corporate actions related to the Offer, as required under the arrangements with such lenders. The BRLMs have also relied on a certificate dated July 23, 2024 from the Independent Chartered Accountant to ascertain the amount of sanctioned and outstanding borrowings of the Company as of March 31, 2024 as disclosed in the section "*Financial Indebtedness*" of the DRHP.

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of the Company for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 have been made available on its website at www.surakshanet.com/investor-relations.

7. **Key Performance Indicators of the Company**

Suitable disclosures have been made in relation to key performance indicators of the Company ("**KPIs**") in the section "*Basis for Offer Price*" and other relevant sections of the DRHP, in compliance with the requirements of the SEBI ICDR Regulations. Further, such KPIs were approved by the Audit Committee of the Company pursuant to its resolution dated July 20, 2024, and such KPIs as disclosed in the DRHP have been certified by the Independent Chartered Accountant. The certificate issued by the Independent Chartered Accountant in relation to the KPIs will form part of the section "*Material Contracts and Documents for Inspection*" of the DRHP and will be available for public inspection from the date of filing of the RHP with the RoC until the Bid/Offer Closing Date.

8. **Statutory and/ or Regulatory and Other Diligence**

In connection with diligence of statutory and regulatory matters, interactions were conducted with the officials of the Company along with Legal Counsels to understand the various approvals that are necessary by the Company to carry out its respective businesses, followed by a review of relevant statutory and regulatory records of the Company, including, among other things, relevant corporate records, approvals, and filings made by the Company with various statutory and regulatory authorities.

Certain of the Company's corporate records namely, Form 23B for appointment of M/s. K S Bothra & Associates as auditors of the Company in the first AGM of the Company on December 12, 2005 and Form 23 for filing of special resolution passed in the EGM for approval of grant of sweat equity shares dated November 29, 2011 are not traceable. The Company has also conducted a RoC search, and the Practicing Company Secretary, pursuant to their inspection and independent verification of the documents available/ maintained by the Company, the Ministry of Corporate Affairs at the MCA Portal

		
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and the RoC and has provided a certificate dated July 19, 2024 confirming the unavailability of such historical records. The Company has by way of a letter dated July 22, 2024 intimated the Registrar of Companies, about the unavailability of such historical records. Further, there have been certain instances of statutory non-compliances in the past by the Company. For example, Company provided a guarantee of ₹ 670.00 million and created a charge on land, building, property, plant and medical equipment belonging to the Company for ₹ 282.72 million and ₹ 110.58 million, in favour of a lender against personal loans availed by Dr. Somnath Chatterjee and Ritu Mittal, Promoters and Directors of the Company, and in violation of Section 185 of the Companies Act, 2013 (the “Act”). Thereafter, pursuant to negotiation with the lender the guarantee and charge given by the Company on the personal loans taken by the Directors were vacated on March 30, 2024. Accordingly, the Company had filed form GNL-1 dated December 28, 2023 before the Ministry of Corporate Affairs, Kolkata for satisfaction of charges and compounding of the violation. Further, the Company was unable to conduct its Annual General Meeting (“AGM”) in accordance with the provisions of section 96 of the Act. Consequently, the Company failed to comply with (i) section 129(2) of the Act relating to laying the financial statements before every AGM; (ii) section 137 of the Act relating to the filing of financial statements with the RoC; and (iii) section 92 of the Act relating to the filing of annual returns. Accordingly, the Company filed an application dated March 30, 2024 before, Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata for compounding of delay of 65 days in holding the Annual General Meeting for the financial year ended March 31, 2023.

The aforementioned offences have been compounded by the relevant adjudicating officers by way of their orders dated July 12, 2024.

Further, the Company has filed compounding applications dated July 20, 2024 with the under Section 621 of erstwhile Companies Act, 1956, and Section 441 of the Companies Act, 2013, for compounding of the offences related to violation of section 383A of the Companies Act, 1956, and section 203 of the Companies Act, 2013, for failure to appoint a whole-time Company Secretary for periods between (a) January 31, 2008 to March 15, 2009; (b) April 12, 2011 to March 31, 2014; (c) June 9, 2014 to December 28, 2016; and (d) January 1, 2018 to February 28, 2019. The matter is still pending before RoC.

For the purposes of diligence of approvals required by the Company for its businesses, we, along with Legal Counsels, have relied on the list of licenses, approvals and registrations of the Company, identified by the Company, and reviewed such material licenses, approvals and registrations, copies of which were provided by the Company, and other material agreements executed by, or in relation to, the Company, and such other documents as were deemed necessary and as have been provided to us by the Company, from time to time. We, along with the Legal Counsels, have also regularly interacted with the officials of the Company to understand the material approvals that are required to be obtained by the Company to carry out its business. Further we have also relied on certifications provided by the Company in connection with such statutory and/ or regulatory matters. The DRHP includes a summary of the material approvals required for carrying on the Company’s business operations, including tax registrations, approvals under labor and employment related laws and intellectual property registrations. Such approvals have been disclosed in the section “Government and Other Approvals” in the DRHP and a cross-reference has been included in the sections “Risk Factors” and “Our Business” of the DRHP.

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