

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The Letter of Offer (“**Letter of Offer**”/ “**LoF**”) will be sent to you as a Public Shareholder (*as defined below*) of HealthCare Global Enterprises Limited. If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager (*as defined below*) / Registrar to the Offer (*as defined below*). In case you have recently sold your Equity Shares (*as defined below*), please hand over the LoF and the accompanying Form of Acceptance-cum-Acknowledgement and Transfer Deed to the member of stock exchange through whom the said sale was effected.

ACESO COMPANY PTE. LTD.

Registered office: 38 Beach Road, #29-11, South Beach Tower, Singapore (189767)
Tel: +65 6808 1603 Fax: +65 6808 1616
(hereinafter referred to as the “**Acquirer**”)

ALONGWITH

ACESO INVESTMENT HOLDINGS PTE. LTD.

Registered office: 38 Beach Road, #29-11, South Beach Tower, Singapore (189767);
Tel: +65 6808 1603 Fax: +65 6808 1616
(hereinafter referred to as “**PAC 1**”)

CVC CAPITAL PARTNERS ASIA V L.P.

Registered office: Lime Grove House Green Street St Helier Jersey JE1 2ST
Tel: +44 (0) 1534 609000 Fax: +44 (0) 1534 609333
(hereinafter referred to as “**PAC 2**”)

CVC CAPITAL PARTNERS INVESTMENT ASIA V L.P.

Registered office: Lime Grove House, Green Street, St. Helier, Jersey – JE12ST
Tel: +44 (0) 1534 609000 Fax: +44 (0) 1534 609333
(hereinafter referred to as “**PAC 3**”)

AND

CVC CAPITAL PARTNERS ASIA V ASSOCIATES L.P.

Registered office: Lime Grove House Green Street St Helier Jersey JE1 2ST
Tel: +44 (0) 1534 609000 Fax: +44 (0) 1534 609333
(hereinafter referred to as “**PAC 4**”)

(hereinafter PAC 1, PAC 2, PAC 3 and PAC 4 are collectively referred to as the “**PACs**”)

MAKES A CASH OFFER OF INR 130 (INDIAN RUPEES ONE HUNDRED AND THIRTY) PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF INR 10 EACH (“EQUITY SHARES”), TO ACQUIRE UP TO 32,613,192 EQUITY SHARES REPRESENTING 26.00% OF THE EXPANDED VOTING SHARE CAPITAL (AS DEFINED BELOW), UNDER THE SEBI (SAST) REGULATIONS (AS DEFINED BELOW) FROM THE PUBLIC SHAREHOLDERS OF

HEALTHCARE GLOBAL ENTERPRISES LIMITED

A public limited company incorporated under the Companies Act, 1956

Registered office: HCG TOWER, NO. 8, P KALINGA RAO ROAD, SAMPANGI RAMA NAGAR,
BENGALURU, KARNATAKA, 560027, INDIA
(TEL: +91 080 4020 6000 FAX: +91 080 4660 7748)
(hereinafter referred to as the “**Target Company**” / “**Target**”)

1. This Offer (*as defined below*) is made pursuant to and in compliance with the provisions of Regulations 3(1), 4 and other applicable regulations of the SEBI (SAST) Regulations.
2. This Offer is not a conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. NRI (*as defined below*) and OCB (*as defined below*) holders of Equity Shares must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including, without limitation, approval from the RBI (*as defined below*) since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required under this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, and FPIs (*as defined below*)) had

- required any approvals (including from the RBI, the FIPB (*as defined below*) or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit copies of such previous approvals along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in this Offer.
5. Where any statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer.
 6. Other than as set out in paragraph 1 of Part C of Section V (*Terms and Conditions of the Offer*), as on the date of this Draft Letter of Offer (“**Draft Letter of Offer**”/ “**DLoF**”), to the best of the knowledge and belief of the Acquirer along with the PACs, there are no statutory approvals required to acquire the Equity Shares by the Acquirer tendered pursuant to this Offer. However, in case of any other statutory approvals being required and/or becoming applicable at a later date before the closing of the Tendering Period (*as defined below*), this Offer would be subject to the receipt of such approvals.
 7. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares (*as defined below*), the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that the acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.
 8. The Acquirer and the PACs may withdraw the Offer in accordance with the terms and conditions specified in Part C of Section V (*Terms and Conditions of the Offer*) of this Draft Letter of Offer. In the event of a withdrawal of the Offer, the Acquirer and the PACs (through the Manager) shall, within two Working Days (*as defined below*) of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement (*as defined below*) had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
 9. The Offer Price (*as defined below*) may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PACs at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Where the Acquirer and/or the PACs has acquired any Equity Shares during the Offer period at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with Regulation 8(8) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PACs shall (i) make corresponding increases to the amount kept in the escrow account under Regulation 17 of the SEBI (SAST) Regulations; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI (*as defined below*), the Stock Exchanges (*as defined below*) and the Target Company at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Offer. However, the Acquirer and/or the PACs shall not acquire any Equity Shares during the period commencing from 3 (three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period.
 10. **There has been no competing offer as of the date of this Draft Letter of Offer. If there is a competing offer, the offers under all subsisting bids will open and close on the same date.**
 11. A copy of the Public Announcement (*as defined below*), the Detailed Public Statement are available on the website of SEBI (www.sebi.gov.in) and copies of the Draft Letter of Offer and Letter of Offer will also be available on the website of SEBI (www.sebi.gov.in).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025, India. Tel: +91 22 6630 3030 / +91 22 6630 3262 Fax: +91 22 6630 3330 Email: hcg.offer@jmfl.com Website: https://www.jmfl.com Contact Person: Ms. Prachee Dhuri SEBI Registration Number: INM000010361 CIN: L67120MH1986PLC038784	 Link Intime India Private Limited C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083 Telephone: +91 22 4918 6200 Fax: + 91 22 49186195 Email: hcg.offer@linkintime.co.in Website : www.linkintime.co.in Contact Person: Mr. Sumeet Deshpande SEBI Registration Number: INR000004058 CIN: U67190MH1999PTC118368

The tentative schedule of activities under the Offer is as follows:

No.	Activity	Schedule (Date and Day)*
1.	PA	Thursday, June 04, 2020
2.	Publication of DPS	Thursday, June 11, 2020
3.	Filing of this draft letter of offer with SEBI	Thursday, June 18, 2020
4.	Last date for public announcement for competing offer(s)	Thursday, July 02, 2020
5.	Last date for receipt of SEBI observations on the draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Thursday, July 09, 2020
6.	Identified Date [#]	Monday, July 13, 2020
7.	Last date by which the Letter of Offer is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	Monday, July 20, 2020
8.	Last date for upward revision of the Offer Price / Offer Size	Thursday, July 23, 2020
9.	Date by which the committee of the independent directors of the Target Company shall give its recommendation to the shareholders of the Target Company for this Offer	Thursday, July 23, 2020
10.	Date of publication of Offer opening public announcement in the newspapers in which this DPS has been published	Friday, July 24, 2020
11.	Date of commencement of the Tendering Period	Monday, July 27, 2020
12.	Date of closure of the Tendering Period (“ Offer Closing Date ”)	Friday, August 07, 2020
13.	Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the shareholders of the Target Company	Friday, August 21, 2020
14.	Last date for publication of post-Offer public announcement in the newspapers in which this DPS has been published	Friday, August 28, 2020

* The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and are subject to receipt of statutory/regulatory approvals and may have to be revised accordingly.

The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be sent. It is clarified that subject to paragraph 1(b) of Part C of Section V (Terms and Conditions of the Offer) below, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in this Offer at any time on or prior to the Offer Closing Date.

RISK FACTORS

Relating to the transaction:

1. In accordance with the Investment Agreement (*as defined below*), the acquisition of the Investor Subscription Securities (*as defined below*) shall be completed upon the fulfilment or waiver of certain conditions agreed between the Acquirer, the Target Company and the Promoter (*as defined below*). Details of each of these conditions have been outlined in paragraph 4.5 of Part A of Section I (*Details of the Offer*) of this Draft Letter of Offer. If any of these conditions are not satisfied or waived in accordance with the terms of the Investment Agreement and/or any termination event occurs, the Investment Agreement may be terminated.

Relating to the Open Offer:

1. In the event that either: (a) regulatory or statutory approvals, as required, are not received in time; or (b) there is any order of a governmental authority or in a litigation leading to a stay/injunction on the Open Offer or that restricts/restrains the Acquirer along with the PACs from performing its obligations hereunder; or (c) SEBI instructs the Acquirer and the PACs not to proceed with the Open Offer, then the Open Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. In case the delay is due to non-receipt of statutory approval(s), then in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that non-receipt of approvals was not due to any wilful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Open Offer subject to the Acquirer and the PACs agreeing to pay interest to the validly tendering shareholders at such rate as may be specified by SEBI. Where the statutory approvals extend to some but not all the shareholders, the Acquirer along with the PACs will have the option to make payment of the consideration to such shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.
2. The acquisition of Equity Shares tendered by NRIs and OCBs is subject to approval from the RBI. NRI and OCB holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including without limitation, the approval from the RBI or the relevant government authority) and submit copies of such approvals, along with the other documents required in terms of this Draft Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, and FPIs) had required any approvals (including from the RBI or the FIPB) in respect of the Equity Shares held by them, they will be required to submit copies of such previous approvals, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. If such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on a repatriable basis or a non-repatriable basis.
3. The Acquirer and the PACs may withdraw the Offer in accordance with the terms and conditions specified in Part C of Section V (*Terms and Conditions of the Offer*) of this Draft Letter of Offer. In the event of a withdrawal of the Offer, the Acquirer and the PAC (through the Manager) shall, within two Working Days of such withdrawal, make a public announcement, in the same newspapers in which the Detailed Public Statement was published, stating the grounds for withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
4. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis as detailed in Section VI (*Procedure for Acceptance and Settlement of the Offer*) below. Therefore, there is no certainty that all the Equity Shares tendered in the Offer will be accepted. The unaccepted Equity Shares will be returned to the respective Public Shareholders in accordance with the schedule of activities for the Offer.
5. The tendered Equity Shares will be held in trust by the Registrar to the Offer until the completion of the Open Offer formalities. During such period, there may be fluctuations in the market price of the Equity Shares and the shareholders will not be able to trade in such Equity Shares held in trust by the Registrar to the Offer that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Open Offer. The Acquirer / PACs make no assurance with respect to the market price of the Equity Shares both during the Tendering Period and upon the completion of the Offer, and disclaim any

responsibility with respect to any decision by any Public Shareholder on whether or not to participate in the Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.

6. Public Shareholders who tender the Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptances during the Tendering Period, even if the acceptance of the Equity Shares in this Open Offer and/or dispatch of consideration is delayed.
7. The Acquirer, the PACs and the Manager to the Offer accept no responsibility for statements made otherwise than in the Draft Letter of Offer (DLoF)/ Detailed Public Statement (DPS)/ Public Announcement (PA); anyone placing reliance on any other sources of information (not released by the Acquirer and the PACs) would be doing so at his / her / its own risk.
8. Public Shareholders are advised to consult their respective stockbroker, legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for assessing further risks with respect to their participation in the Open Offer, and related transfer of Equity Shares of the Target Company to the Acquirer. The Acquirer, the PACs and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer, and all shareholders should independently consult their respective tax advisors.
9. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer, the PACs or the Manager to the Offer to any new or additional registration requirements.
10. This Offer is subject to completion risks as would be applicable to similar transactions.

Relating to the Acquirer and PACs:

1. The Acquirer and PACs make no assurances with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company.
2. The Acquirer and PACs make no assurance with respect to its investment / divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirer and PACs make no assurance with respect to the market price of the equity shares of the Target Company before, during or after the Open Offer and expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Open Offer.
4. Upon completion of the Open Offer (assuming full acceptances in the Open Offer) and the underlying transaction pursuant to the Investment Agreement, the public shareholding of the Target Company may fall below the minimum level of public shareholding as required to be maintained as per Regulation 38 of the SEBI (LODR) Regulations (*as defined below*) read with Rule 19A of the SCRR (*as defined below*). While the Acquirer and the PACs are required to take necessary steps to facilitate the compliance by the Target Company with the relevant provisions prescribed under the SCRR as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations and the SEBI (LODR) Regulations, within the time period stated therein through permitted routes and any other such routes as may be approved by SEBI from time to time, any failure to comply with the conditions of aforesaid regulations could have an adverse effect on the price and tradability of the equity shares of the Target Company.
5. The information pertaining to the Target Company contained in the PA or DPS or DLoF or any other advertisement/ publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company, as the case may be, or publicly available sources. The Acquirer and the PACs do not accept any responsibility with respect to any misstatement by the Target Company in relation to such information.

The risk factors set forth above are indicative only and are not intended to provide a complete analysis of all risks as perceived in relation to the Offer or associating with the Acquirer and the PACs. The risk factors set forth above do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete or

comprehensive analysis of the risks involved in or associated with the participation or otherwise by any Public Shareholder in the Offer. Public Shareholders are advised to consult their respective stockbroker, legal, financial, tax, investment or other advisors and consultants for an understanding of the further risks associated with their participation in the Offer.

DISCLAIMER FOR U.S. PERSONS:

The information contained in this Draft Letter of Offer is exclusively intended for persons who are not US Persons as such term is defined under the US Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions. This is not an offer to purchase or a solicitation of an offer to sell in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America. As noted above, due to differences between relevant legal and regulatory requirements and customary tender offer practices in India and the U.S., the Acquirer must obtain exemptive relief from the U.S. Securities and Exchange Commission (“SEC”) in order to allow the Open Offer to be made to U.S. shareholders without breaching the rules under the Securities Exchange Act of 1934 (as amended). The Acquirer intends to take all reasonable efforts to obtain such exemptive / no action relief. There can be no assurance that such exemption / relief will be obtained; hence, the receipt of such exemption is a statutory approval that is required prior to the commencement of the Tendering Period and the making of the Open Offer to U.S. shareholders.

DISCLAIMER FOR PERSONS IN OTHER FOREIGN COUNTRIES:

This Draft Letter of Offer does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

CURRENCY OF PRESENTATION

In this Draft Letter of Offer, all references to “**Rs.**”/ “**INR**” are to Indian Rupee(s), the official currency of India, all references to “**USD**”/ “**US\$**”/ “**US Dollar**” are to United States Dollars, the official currency of the United States of America,

In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

All financial data presented in USD in this Draft Letter of Offer have been converted into INR for the purpose of convenience translation only.

The conversion has been assumed at the following rate as on the date of the PA (i.e. June 4, 2020) (unless otherwise stated in this Draft Letter of Offer):

USD 1 = INR 75.529 (Source: Reserve Bank of India - <http://www.rbi.org.in>)

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DEFINITIONS / ABBREVIATIONS

Particulars	Details / Definition
Acquirer	Aceso Company Pte. Ltd.
BSE	BSE Limited
CCI	Competition Commission of India
CDSL	Central Depository Services Limited
Depositories	CDSL and NSDL
Depository Participant/ DP	Ventura Securities Limited, with which the Registrar to the Offer has opened the Open Offer Escrow Demat Account for receiving the Equity Shares tendered during the Offer
Detailed Public Statement / DPS	The detailed public statement in connection with the Offer, published on behalf of the Acquirer and the PACs on June 11, 2020
Draft Letter of Offer / DLoF	This Draft Letter of Offer dated June 18, 2020 filed with the SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations
Equity Share(s)	Fully paid up equity shares of the Target Company with face value of INR 10 (Indian Rupees Ten Only) each
FEMA	Foreign Exchange Management Act, 1999, as amended
FIIs	Erstwhile Foreign Institutional Investor(s), as defined under Section 2(1)(f) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIPB	Erstwhile Foreign Investment Promotion Board or the Foreign Investment Facilitation Portal, and which shall include the erstwhile Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and which shall include the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.
FPIs	Foreign Portfolio Investor(s), as defined under Regulation 2(h) of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended.
Identified Date	The date falling on the 10 th Working Day prior to the commencement of the Tendering Period
Income Tax Act / IT Act	The Income Tax Act, 1961, as amended
Investment Agreement	The investment agreement dated June 4, 2020 entered into among the Acquirer, the Target Company and the Promoter
Manager/ Manager to the Offer	JM Financial Limited
NEFT	National Electronic Funds Transfer
NOC	No-objection certificate
NRIs	Non-resident Indians
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies
Offer / Open Offer	Open offer being made by the Acquirer to the Public Shareholders of the Target to acquire up to 32,613,192 Equity Shares, representing 26.00% of the Expanded Voting Share Capital, at a price of INR 130 (Indian Rupees One Hundred and Thirty) per Equity Share

Particulars	Details / Definition
Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period made on behalf of the Acquirer
Offer Price	INR 130 (Indian Rupees One Hundred and Thirty) per Equity Share
Offer Shares	32,613,192 Equity Shares, representing 26.00% of the Expanded Voting Share Capital
Offer Size	INR 4,239,714,960 (Indian Rupees Four Thousand Two Hundred and Thirty-Nine Million Seven Hundred and Fourteen Thousand Nine Hundred and Sixty), being the maximum consideration payable under this Offer assuming full acceptance
Open Offer Escrow Account	The account named “Aceso Company Pte. Ltd.-Open Offer-Escrow” opened with Open Offer Escrow Agent in accordance with Regulation 17(4) of the SEBI (SAST) Regulations
Open Offer Escrow Agent	Kotak Mahindra Bank Limited (acting through its Mumbai branch at Nariman Point)
Open Offer Escrow Agreement	Escrow agreement dated June 4, 2020 entered into by the Acquirer with the Open Offer Escrow Agent and the Manager
Open Offer Escrow Demat Account	The special escrow depository account in the name and style of “LIPL HEALTHCARE GLOBAL OPEN OFFER ESCROW DEMAT ACCOUNT” opened by the Registrar to the Offer with the Depository Participant for receiving Equity Shares tendered during the Offer
Overseas Tax	Tax payable in accordance with the tax laws applicable in the overseas jurisdiction in which the non-resident Public Shareholder is a resident for tax purposes
PACs/ Person Acting in Concert	Person acting in concert with the Acquirer for this Offer
PAN	Permanent Account Number
Promoter	Dr. B. S. Ajaikumar
Promoter Group	Promoter group of the Target Company and shall have the meaning ascribed to the term under the SEBI (SAST) Regulations
Public Announcement / PA	The public announcement in connection with the Offer dated June 4, 2020 issued by the Manager on behalf of the Acquirer
Public Shareholder(s)	All equity shareholders of the Target Company other than the Promoter, parties to the Investment Agreement and any persons acting or deemed to be acting in concert with any of them
RBI	Reserve Bank of India
Registrar to the Offer	Link Intime India Private Limited
RTGS	Real Time Gross Settlement
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEC	U.S. Securities and Exchange Commission

Particulars	Details / Definition
Stock Exchanges	BSE and NSE
Target / Target Company	HealthCare Global Enterprises Limited
Tendering Period	Period expected to commence from July 27, 2020 and close on August 07, 2020, both days inclusive
Expanded Voting Share Capital	The total voting equity share capital of the Target Company on a fully diluted basis expected as of the 10 th (Tenth) Working Day from the closure of the Tendering Period for the Offer. This includes (i) 29,516,260 Equity Shares to be allotted by the Target Company to the Acquirers in terms of the Investment Agreement subject to, <i>inter alia</i> , the approval of the shareholders of the Target Company and other statutory/ regulatory approvals, (ii) 7,057,195 Warrants to be allotted by the Target Company which the Acquirer, by the terms of the Investment Agreement, has agreed to exercise simultaneously with their allotment, subject to, <i>inter alia</i> , the approval of the shareholders of the Target Company and other statutory / regulatory approvals, and (iii) 171,267 employee stock options vested or which shall vest prior to December 31, 2020.
Working Day(s)	Shall have the same meaning ascribed to it in the SEBI (SAST) Regulations

* All capitalized terms used in this DLoF, but not otherwise defined herein, shall have the meanings ascribed thereto or in the SEBI (SAST) Regulations.

DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF HEALTHCARE GLOBAL ENTERPRISES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER, THE PACs OR THE TARGET COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER AND THE PACs ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND THE PACs DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, JM FINANCIAL LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 18, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND THE PACs FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

I. DETAILS OF THE OFFER

A. Background to the Offer

1. The Offer is being made by the Acquirer and the PACs to the Public Shareholders of the Target Company in accordance with Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations.
2. The Acquirer has entered into an investment agreement dated June 4, 2020 (the “**Investment Agreement**”) with the Target Company and Dr. B S Ajaikumar (“**Promoter**”), wherein it is proposed that the Target Company shall allot to the Acquirer, by way of preferential allotment, subject to the approval of the shareholders of the Target Company and other statutory / regulatory approvals, and the Acquirer shall subscribe to 29,516,260 Equity Shares to be issued by the Target Company (“**Subscription Shares**”), and 18,560,663 warrants to be issued by the Target Company, representing the right to subscribe to 18,560,663 Equity Shares (“**Warrants**”) of which the Acquirer has agreed to exercise 7,057,195 Warrants representing 7,057,195 Equity Shares on the date of subscription (“**Underlying Transaction**”).
3. The Subscription Shares and the Warrants and Equity Shares to be issued to the Acquirer on exercise of 7,057,195 Warrants (in accordance with the provisions of the Investment Agreement) are referred to as the “**Investor Subscription Securities**”. The total shareholding of the Acquirer in the Target Company, together with the Equity Shares and the Warrants to be so exercised will be 36,573,455 equity shares, constituting 29.16% of the Target Company’s Expanded Voting Share Capital. The Acquirer has also agreed not to exercise the balance 11,503,468 Warrants until the expiry of 15 (Fifteen) business days from the completion of the Open Offer. The said subscription of the Equity Shares and Warrants by the Acquirer is proposed to be executed at a price of INR 130/- per fully paid up Equity Share and INR 130/- per Warrant, respectively, of which, in relation to the Warrants, 25% of the price will be paid on subscription of the Warrants and the balance on exercise of the Warrants. This mandatory Open Offer is being made by the Acquirer pursuant to the execution of the Investment Agreement by the Acquirer.
4. The key terms of the Investment Agreement are as follows:
 - 4.1 The Investment Agreement sets out the rights and obligations of the Acquirer, the Promoter and the Target Company in relation to the investment by the Acquirer in the Target Company, *inter-se* rights and obligations of the Promoter and the Acquirer as shareholders of the Target Company, management of the Target Company and other matters in connection therewith. The Promoter has agreed to become a party to the Investment Agreement on the request of the Target Company in order to enable the Target Company to raise funds by issuing the Investor Subscription Securities.
 - 4.2 Immediately after the date of execution of the Investment Agreement (“**Execution Date**”), the Target Company is required to take all necessary steps to de-classify all persons other than the Promoter, Asmitha Ajaikumar, Aagnika Ajaikumar, Bhagya A Ajaikumar, Anjali Ajaikumar Rossi and the Acquirer as “promoters” of the Target Company within the shortest period permissible under applicable laws. The Target Company has undertaken to complete all the steps to de-classify the aforementioned persons as a condition subsequent to the Investment Agreement within 180 days from the Execution Date.
 - 4.3 At First Closing (as defined in the Investment Agreement), which is stated to shall take place within 15 (fifteen) days of the fulfilment of all the conditions to First Closing as set out in the Investment Agreement, the Acquirer will subscribe to the Investor Subscription Securities for an aggregate consideration of INR 5,128,411,860.
 - 4.4 The Acquirer has agreed to exercise the Warrants on or before their expiry in accordance with the terms of the Warrants and the SEBI (ICDR) Regulations. The Acquirer has agreed to subscribe to the resultant Equity Shares, for an aggregate consideration of INR 1,809,664,642.50 (i.e. 75% of the warrant subscription price for 18,560,663 Warrants). Simultaneously with the execution of the Investment Agreement, the Acquirer has agreed to exercise 7,057,195 Warrants and subscribe to the resulting Equity Shares on First Closing, as mentioned above. The Investor shall not exercise 11,503,468 Warrants until the expiry of 15 (Fifteen) business days from the completion of the Open Offer.
 - 4.5 The key conditions which shall be satisfied in order for First Closing to occur include an approval from the Competition Commission of India to the transactions contemplated in the Investment Agreement, an

in-principle approval of the Stock Exchanges to the issuance of the Investor Subscription Securities on terms acceptable to the Acquirer, prior written approval from all the requisite third parties including Yes Bank Limited and IDFC Infrastructure Finance Limited in connection with the transactions contemplated under this Investment Agreement.

- 4.6 The Second Closing (as defined in the Investment Agreement) is conditional upon the Acquirer having fulfilled, in its sole determination, all conditions under the SEBI (SAST) Regulations to enable the Acquirer to complete the release of the Investor Subscription Securities from escrow under the share escrow agreement.
- 4.7 The Target Company and the Promoter have jointly and severally made various representations and warranties to the Acquirer and undertaken to indemnify the Acquirer for the breach thereof, subject to various limitations.
- 4.8 During the period between the Execution Date until the Second Closing, the Target Company shall (and shall procure that the Target Company's group shall) and the Promoter undertakes to procure that the Target Company and the Target Company's group shall, comply with certain obligations as set out in the Investment Agreement and the Promoter shall not approve any actions which will result in breach of the Target Company's obligations under the Investment Agreement.
- 4.9 The board of the directors of the Target Company shall on and from the Second Closing, consist of 9 (nine) directors out of which the Acquirer and the Promoter individually will be entitled to appoint 2 (two) directors each, and the Acquirer and the Promoter shall be entitled to jointly designate 5 (five) independent directors in accordance with law.
- 4.10 The board of the directors of the Target Company shall meet at least once every quarter and at least four times a year. The quorum for a meeting of the directors of the Target Company shall be one-third of its total strength or 2 (two) directors whichever is higher, including at least one of the Acquirer's director, present throughout the meeting, unless otherwise agreed with the Acquirer's prior written consent.
- 4.11 The Promoter shall be the CEO until the appointment of a new CEO of the Target Company in accordance with the Investment Agreement, but in no event beyond December 31, 2020.
- 4.12 The board of the Target Company shall constitute such committees, including an audit committee, a nomination and remuneration committee, a strategy committee, a compliance committee and as such other committees may be required under applicable law or consistent with best corporate governance practices as advised by the Acquirer.
- 4.13 All actions and decisions in relation to certain reserved matters as listed in the Investment Agreement shall not be proposed, taken or given effect to unless the prior written consent of the Acquirer and the Promoter is obtained.
- 4.14 Right of First Offer:
- (i) In case of a proposed transfer of shares of the Target Company by the Promoter or Acquirer ("**Transferor**"), the Transferor shall deliver a written notice ("**Sale Notice**") to the non-selling party (i.e. the Acquirer or the Promoter) ("**Continuing Shareholder**") setting out the number of shares it proposes to transfer ("**Sale Securities**"). Within 10 days of the Sale Notice, the Continuing Shareholder may deliver an offer in writing to the Transferor ("**Offer Price Notice**") to purchase all the Sale Securities at the price specified in the Offer Price Notice.
 - (ii) If the Continuing Shareholder fails to deliver the Offer Price Notice within 10 days of issuance of an Offer Price Notice or complete the purchase within 21 days of issuance of an Acceptance Notice (as defined below), the Transferor shall be entitled to transfer the Sale Securities to any person at any price and on whatever terms it thinks fit.
 - (iii) If the Continuing Shareholder delivers the Offer Price Notice, the Transferor shall not Transfer the Sale Securities to any other person ("**Offeree**") except at a cash price higher than the cash price specified in the Offer Price Notice at any time within 180 days of the Offer Price Notice. If the Transferor does not consummate a sale of the Sale Securities to an Offeree, the Transferor may at its option, elect by notice in writing to the Continuing Shareholder to accept the offer

price in the Offer Price Notice (“**Acceptance Notice**”) within 10 days of the Offer Price Notice and complete the transfer to the Continuing Shareholder at any time within 21 days of the Acceptance Notice.

- (iv) If the Continuing Shareholder agrees to purchase all of the Sale Securities and such offer is accepted by the Transferor, then the Continuing Shareholder shall pay for such Sale Securities, within 21 days of the date of the Acceptance Notice.
- (v) In case more than one Continuing Shareholder issues an Offer Price Notice, the Transferor shall have the right to sell the Sale Securities to the Continuing Shareholder who has offered the highest price.

4.15 Tag-along rights:

- (i) In the event any of the Acquirer or the Promoter (“**Tag Transferor**”) proposes to sell any of its shares in the Target Company, each of the other non-selling shareholder Parties (i.e. the Acquirer and the Promoter) (“**Tag Shareholder**”) shall, have the right to sell the shares held by them *pro rata* to its relevant proportion in the Target Company to such third party purchaser on identical terms as the Tag Transferor (hereinafter referred to as the “**Tag Along Right**” and the shares that each of the Tag Shareholders decide to Transfer pursuant to the Tag Along Right are hereinafter referred to as the “**Tag Along Shares**”).
- (ii) Within 7 business days of the receipt of the relevant notice, the Tag Along Right may be exercised by the Tag Shareholders by delivery of a written notice to the Tag Transferor (“**Tag Along Notice**”) specifying the number of Tag Along Shares. The number of Tag Along Shares shall not exceed such proportion of the Tag Shareholders (as applicable) shareholding as is equal to the proportion that the Tag Offered Shares represent of the shareholding of the Tag Transferor in the Target Company.
- (iii) If the Tag Shareholders issue the Tag Along Notice in accordance with paragraph (iv) above, then the Tag Transferor is required to arrange for the Tag Purchaser to purchase the Tag Along Shares, simultaneously with the purchase of any Tag Offered Shares from the Tag Transferor for the same consideration and upon the same terms and conditions as applicable to the Tag Offered Shares, provided that if the Tag Shareholder is the Acquirer, it (i) may choose to receive the cash equivalent of any such consideration which is in a form other than cash (as notified, agreed or determined above for inclusion in the Tag Offer Price) which is to be determined by an independent valuer appointed by the Acquirer, at the cost of the Target Company; and (ii) shall not be required to provide any representations or warranties to the Tag Purchaser. Such Transfer is required to be completed within 30 business days from the expiry of the Tag Offer Period.
- (iv) In the event that the Tag Shareholder communicates its refusal to exercise the Tag Along Right or fails to issue a Tag Along Notice to the Tag Transferor within the Tag Offer Period, the Tag Transferor shall be entitled to sell the Tag Offered Shares on the same terms as stipulated in the Tag Offer Notice within a period of 15 business days following the expiry of the Tag Offer Period.

4.16 The Investment Agreement also provides for certain events of default, in the event of which the Acquirer will have the right to expedite its exit rights.

4.17 The Investment Agreement shall terminate in respect of the Acquirer upon the Acquirer ceasing to hold any Equity Securities (as defined in the Investment Agreement) of the Target Company.

4.18 The Promoter is subject to certain non-compete and non-solicit provisions for five years after he ceases to hold 5% of the share capital of the Target Company or ceases to be an employee or director of the Target Company, whichever is later.

5. Neither the Acquirer nor the PACs, as on the date of the DLoF, have been prohibited by SEBI from dealing in securities, pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

6. As per Regulations 26(6) and 26(7) of the SEBI (SAST) Regulations, the board of directors of the Target Company is required, upon receipt of the Detailed Public Statement, to constitute a committee of independent directors to provide their reasoned recommendations on the Offer. The reasoned recommendations are required to be published in the same newspapers in which the Detailed Public Statement was published atleast 2 (two) Working Days before the commencement of the Tendering Period, and simultaneously a copy of such recommendations is required to be sent to SEBI, the Stock Exchanges and to the Manager.

B. Details of the Offer

1. The Public Announcement in connection with the Offer was made on June 4, 2020 to the Stock Exchanges and a copy thereof was also sent to SEBI and the Target Company at its registered office on June 4, 2020.
2. The Detailed Public Statement was published on June 11, 2020 in all editions of Financial Express (English), all editions of Jansatta (Hindi), all editions of Vishwavani (Kannada) and the Mumbai edition of Navshakti (Marathi). A copy of the PA and Detailed Public Statement are also available on the website of SEBI (www.sebi.gov.in).
3. This Offer is being made by the Acquirer and the PACs to all the Public Shareholders, to acquire up to 32,613,192 Equity Shares (“**Offer Shares**”) representing 26% of the Expanded Voting Share Capital of the Target Company (“**Offer Size**”), at an offer price of INR 130/- per Equity Share (“**Offer Price**”) aggregating to a total consideration of INR 4,239,714,960 (“**Maximum Open Offer Consideration**”). The Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.
4. If the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the Offer Size, the Acquirer shall accept the Equity Shares received from the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer.
5. The acquisition of the Offer Shares from NRIs and erstwhile OCBs, if any, is subject to the requisite approval or exemption being obtained including the approval from the RBI. Where any such statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer.
6. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, the Acquirer and the PACs shall have the right to withdraw the Offer if any of the statutory approvals set out in paragraph 1 of Part C of Section V (Terms and Conditions of the Offer) or those which become applicable prior to completion of the Offer are not received, or the conditions precedent under Investment Agreement set out in paragraph 4.5 of Part A of Section I (*Details of the Offer*) above, each of which are outside the reasonable control of the Acquirer and the PACs, are not satisfied.
7. To the best of the knowledge of the Acquirer and the PACs, there are no other statutory or other approval(s) required to complete the acquisition under the Investment Agreement or of the Offer Shares as on the date of this DLoF, except as set out under paragraph 1 of Part C of Section V (*Terms and Conditions of the Offer*) below. If, however, any statutory or other approval(s) becomes applicable prior to the completion of the Offer, the Offer would be subject to such statutory or other approval(s) being obtained. Where any statutory or other approval(s) extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approval(s) are required in order to complete this Offer.
8. In the event of withdrawal of the Offer, the same would be notified, in accordance with Regulation 23 of the SEBI (SAST) Regulations by way of a public announcement in the same newspapers in which the Detailed Public Statement had appeared and SEBI, the Stock Exchanges and the Target Company would simultaneously be informed in writing (in the case of the Target Company, at its registered office).
9. The Offer Price may be subject to revisions pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PACs, at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations.

10. There are no partly paid-up Equity Shares in the share capital of the Target Company.
11. There is no differential pricing for this Offer.
12. There has been no competing offer to this Offer.
13. The Offer is not conditional on any minimum level of acceptance by the Public Shareholders of the Target Company in terms of Regulation 19 of the SEBI (SAST) Regulations and is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
14. Other than the transactions detailed in Part A of Section I (*Details of the Offer*) above, which have triggered this Offer, pursuant to which the Acquirer shall acquire Equity Shares in the Target Company, as on the date of this DLoF, neither the Acquirer nor the PACs, and their respective directors, and key managerial employees (if any) hold any ownership / interest / relationship / shares in the Target Company.
15. As per Regulation 38 of the SEBI (LODR) Regulations read with Rule 19A of the SCRR, the Target Company is required to maintain minimum public shareholding, as determined in accordance with the SCRR, on a continuous basis for listing. Upon completion of the Offer and underlying transaction pursuant to the Investment Agreement, if public shareholding of the Target Company falls below the minimum level of public shareholding as required to be maintained by the Target Company as per the SCRR and the SEBI (LODR) Regulations, the Acquirer and the PACs undertake to take necessary steps to facilitate the compliance by the Target Company with the relevant provisions prescribed under the SCRR as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations and/or the SEBI (LODR) Regulations, within the time period stated therein, i.e., to bring down the non-public shareholding to 75% within twelve months from the date of such fall in the public shareholding to below 25%, through permitted routes and any other such routes as may be approved by SEBI from time to time.
16. The Equity Shares will be acquired by the Acquirer fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.
17. The Manager to the Offer does not hold any Equity Shares of the Target Company. The Manager to the Offer shall not deal on its own account in the Equity Shares of the Target Company during the Offer period.
18. The Acquirer and PACs have not acquired any Equity Shares of the Target Company from the date of the Public Announcement and up to the date of this Draft Letter of Offer.

C. Object of the Acquisition / Offer

1. The Open Offer is being made as a result of the acquisition of more than 25% of shares, voting rights and control of the Target Company by the Acquirer resulting in a change of control of the Target Company in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations. Following the completion of the Open Offer, the Acquirer intends to focus with the management of the Target Company to improve the value of the Target Company.
2. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, as of the date of this DLoF, the Acquirer and the PACs have no intention to restructure or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target Company or of entities controlled by the Target Company during the period of 2 (two) years following the completion of the Offer except:
 - a) The Acquirer may consider causing the Target Company to undertake divestment of its In Vitro Fertilization clinic business, which is currently held by its subsidiary, BACC HealthCare Private Limited; or
 - b) in the ordinary course of business; or
 - c) to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company; or

- d) on account of regulatory approvals or conditions, or compliance with any law that is binding on or applicable to the operations of the Target Company.
- 3. Other than the above, if the Target Company is required to alienate any material asset of the Target Company, within a period of 2 (two) years from completion of the Offer, the Target Company shall seek the approval of its shareholders through special resolution as per the proviso to Regulation 25(2) of SEBI (SAST) Regulations.
- 4. The Acquirer and the PACs reserve the right to streamline / restructure their holding in the Target Company and / or the operations, assets, liabilities and / or businesses of the Target Company through arrangements, reconstructions, restructurings, buybacks, mergers, demergers, delisting of the Equity Shares of the Target Company from the Stock Exchanges, sale of assets or undertakings and / or re-negotiation or termination of existing contractual / operating arrangements, at any time after the date of this DLoF, post-acquisition of control over the Target Company by the Acquirer in accordance with applicable laws.

II. BACKGROUND OF THE ACQUIRER AND THE PACS

A. ACQUIRER – Aceso Company Pte. Ltd.

1. Aceso Company Pte. Ltd., a private company limited by shares, was incorporated on March 31, 2020 under the laws of Singapore (Corporate ID: 202010289R). Its registered office is situated at 38 Beach Road, #29-11, South Beach Tower, Singapore (189767). There has been no change in the name of the Acquirer since its incorporation.
2. The principal activity of the Acquirer is the holding of investments.
3. The Acquirer is owned by Aceso Investment Holdings Pte Ltd which is part of group of companies comprised of the CVC Capital Partners, a private equity and investment advisory firm which advises funds to invest in portfolio entities across Europe, the Americas and Asia, and its affiliates and associated entities (the “CVC Group”).
4. The Acquirer is not listed on any stock exchange in India or abroad.
5. The issued and paid-up share capital of the Acquirer as on the date of this DLoF amounts to USD 1,84,13,047 comprising of 1,84,13,047 ordinary fully paid up shares of USD 1 each. PAC 1 holds 100% of the share capital of the Acquirer. PAC 2, PAC 3 and PAC 4 collectively hold 100% of share capital of PAC 1.
6. The details of the directors on the board of directors of the Acquirer are provided below:

Details	Qualifications & Experience
Name: Sigit Prasetya DIN: Not applicable Date of appointment: May 7, 2020 Designation: Director	Mr. Sigit Prasetya, joined the CVC Group in 2007. Mr. Prasetya, is based in Singapore oversees, CVC’s private equity business in Asia and leads CVC’s investing in Southeast Asia. He is the Chairman of the Asia Private Equity Board and sits on the Asia Investment Committee. He also sits on the board of the CVC Capital Partners advisory business. Prior to joining CVC, Mr. Prasetya worked for Henderson Equity Partners as Head of Southeast Asia. Prior to that, he was with Morgan Stanley Investment Banking where he was responsible for Indonesia and its financial institution practice in Southeast Asia. Prior to that, Mr. Prasetya worked at Booz Allen and Citibank. Mr. Sigit Prasetya holds an MBA from University of New South Wales, Australia.
Name: Tan Ting Luen DIN: Not applicable Date of appointment: March 31, 2020 Designation: Director	Mr. Tan Ting Luen, joined the CVC Group in 2011. Ting Luen is a member of the CVC Southeast Asia team and is based in Singapore. Prior to joining CVC, he was a senior investment analyst at Navis Capital Partners. Ting Luen holds a master's degree in mechanical engineering with first class honours from Imperial College, London. He has also passed Level II of the CFA Programme.
Name: Yeo Hui Yin DIN: Not applicable Date of appointment: May 7, 2020 Designation: Director	Ms. Yeo Hui Yin is Head of Accounting & Tax department of TMF, Singapore and has more than 19 years of experience in audit, commercial practice and outsourcing, with exposure in IFRS and US GAAP reporting. Prior to joining TMF, she headed the Business Outsourcing division of BDO Corporate Services Pte Ltd. Ms. Yeo is a fellow of the Association of Certified Chartered Accountants (ACCA)
Name: Alvin Lim Chiaw Beng	Mr. Alvin Lim Chiaw Beng, joined CVC Group in 2016. Alvin is a member of the CVC Southeast Asia team and is based in Singapore. Prior to joining CVC, Alvin spent over 11 years with HSBC where

Details	Qualifications & Experience
DIN: Not applicable Date of appointment: May, 26, 2020 Designation: Director	he was Head of Investment Banking for Southeast Asia. Prior to that, he worked for the Investment Banking Division of Citigroup / Schroders for over seven years in Singapore and the UK. He started his career with the corporate finance division of Coopers & Lybrand. Alvin has a BSc in Economics from the London School of Economics and is a qualified Chartered Financial Analyst.

7. None of the directors of the Acquirer are directors on the board of directors of the Target Company.
8. Other than the transaction detailed in Part A of Section I (*Details of the Offer*) above, which has triggered this Offer, pursuant to which the Acquirer shall acquire Equity Shares in the Target Company, as on the date of this DLoF, the Acquirer, its directors, and its key managerial employees (if any) do not hold any ownership / interest / relationship / shares in the Target Company.
9. The Acquirer, as of the date of DLoF, has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
10. The Acquirer was incorporated on March 31, 2020 and is not required to prepare audited or limited review financial statements as at the date of this DLoF.
11. Other than in connection with the Investment Agreement and as detailed in Part B of Section IV (*Offer Price and Financial Arrangements*), the Acquirer does not have any major contingent liabilities as on 17 June 2020.

B. PAC 1 – Aceso Investment Holdings Pte. Ltd.

1. Aceso Investment Holdings Pte. Ltd., a private company limited by shares, was incorporated on April 17, 2020 under the laws of Singapore (Corporate ID: 202011729H). Its registered office is situated at 38 Beach Road, #29-11, South Beach Tower, Singapore (189767). There has been no change in the name of PAC 1 since its incorporation.
2. The principal activity of PAC 1 is holding of investments.
3. PAC 1 is collectively held and controlled by PAC 2, PAC 3 and PAC 4 and is part of the CVC Group. PAC 1 holds 100% of the share capital of the Acquirer.
4. PAC 1 is not listed on any stock exchange in India or abroad.
5. The paid-up share capital of PAC 1 as on the date of this DLoF is USD 1,87,63,047, comprising of 1,87,63,047 ordinary fully paid up shares of USD 1 each. The shareholding pattern of PAC 1 as on date of this DLoF is as under:

Shareholder	No. of Shares Held	%
CVC Capital Partners Asia V L.P.	18,040,565	96.15%
CVC Capital Partners Asia V Associates L.P.	425,516	2.27%
CVC Capital Partners Investment Asia V L.P.	296,966	1.58%
Total	1,87,63,047	100.00%

6. The details of the directors on the board of directors of PAC 1 as of the date of the DLoF are provided below:

Details	Qualifications & Experience
Name: Mr. Sigit Prasetya DIN: Not applicable Date of appointment: April 29, 2020	Mr. Sigit Prasetya, joined the CVC Group in 2007. Mr. Prasetya, is based in Singapore oversees, CVC's private equity business in Asia and leads CVC's investing in Southeast Asia. He is the Chairman of the Asia Private Equity Board and sits on the Asia Investment

Details	Qualifications & Experience
Designation: Director	Committee. He also sits on the board of the CVC Capital Partners advisory business. Prior to joining CVC, Mr. Prasetya worked for Henderson Equity Partners as Head of Southeast Asia. Prior to that, he was with Morgan Stanley Investment Banking where he was responsible for Indonesia and its financial institution practice in Southeast Asia. Prior to that, Mr. Prasetya worked at Booz Allen and Citibank. Sigit Prasetya holds an MBA from University of New South Wales, Australia.
Name: Mr. Tan Ting Luen DIN: Not applicable Date of appointment: April 17, 2020 Designation: Director	Mr. Tan Ting Luen, joined the CVC Group in 2011. Ting Luen is a member of the CVC Southeast Asia team and is based in Singapore. Prior to joining CVC, he was a senior investment analyst at Navis Capital Partners. Ting Luen holds a master's degree in mechanical engineering with first class honours from Imperial College, London. He has also passed Level II of the CFA Programme.
Name: Mr. Yeo Hui Yin DIN: Not applicable Date of appointment: May 06, 2020 Designation: Director	Ms. Yeo Hui Yin is Head of Accounting & Tax department of TMF, Singapore and has more than 19 years of experience in audit, commercial practice and outsourcing, with exposure in IFRS and US GAAP reporting. Prior to joining TMF, she headed the Business Outsourcing division of BDO Corporate Services Pte Ltd. Ms. Yeo is a fellow of the Association of Certified Chartered Accountants (ACCA)
Name: Mr. Alvin Lim Chiaw Beng DIN: Not applicable Date of appointment: May, 26, 2020 Designation: Director	Mr. Alvin Lim Chiaw Beng, joined CVC Group in 2016. Alvin is a member of the CVC Southeast Asia team and is based in Singapore. Prior to joining CVC, Alvin spent over 11 years with HSBC where he was Head of Investment Banking for Southeast Asia. Prior to that, he worked for the Investment Banking Division of Citigroup / Schroders for over seven years in Singapore and the UK. He started his career with the corporate finance division of Coopers & Lybrand. Alvin has a BSc in Economics from the London School of Economics and is a qualified Chartered Financial Analyst.

7. None of the directors of PAC 1 are on the board of directors of the Target Company.
8. Other than the transaction detailed in Part A of Section I (*Details of the Offer*) above, which has triggered this Offer, pursuant to which the Acquirer shall acquire Equity Shares in the Target Company, as on the date of this DLoF, the PAC 1, its directors, and its key managerial employees (if any) do not hold any ownership / interest / relationship / shares in the Target Company.
9. PAC 1, as of the date of the DLoF, has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
10. PAC 1 has been incorporated on April 17, 2020 and is not required to prepare audited or limited review financial statements as at the date of this DLoF.
11. Other than in connection with the Investment Agreement and as detailed in Part B of Section IV (*Offer Price and Financial Arrangements*), PAC 1 does not have any major contingent liabilities as on 17 June 2020.

C. PAC 2 – CVC Capital Partners Asia V L.P.

1. CVC Capital Partners Asia V L.P., a limited partnership, was formed on June 28, 2018 under the laws of Jersey (Registered Number 2767). Its registered address is Lime Grove House Green Street St Helier Jersey JE1 2ST. There has been no change in the name of PAC 2 since its formation.
2. PAC 2 is part of the CVC Group. The principal activity of PAC 2 is to carry on the activities of identifying, researching, negotiating, making, holding, monitoring and realizing investments, with the principal objective of generating long term capital appreciation and realizing capital gain.
3. PAC 2 holds 96.15% shares in PAC 1, which in turn, holds 100% of the share capital of the Acquirer.
4. PAC 2 is not listed on any stock exchange in India or abroad.
5. The general partner of PAC 2 is CVC Capital Partners Asia V Limited, which is controlled by its ultimate parent company, CVC Capital Partners SICAV-FIS S.A.
6. Other than the transaction detailed in Part A of Section I (Details of the Offer) above, which has triggered this Offer, pursuant to which the Acquirer shall acquire Equity Shares in the Target Company, as on the date of this DLoF, the PAC 2, its general partner, and its key managerial employees (if any) do not hold any ownership / interest / relationship / shares in the Target Company. Further, since PAC 2 is a limited partnership, it does not have any directors.
7. PAC 2, as of the date of the DLoF, has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
8. PAC 2 was formed on June 28, 2018 and is not required to prepare audited or limited review audited financial statements as at the date of this DLoF.
9. Other than in connection with the Investment Agreement and as detailed in Part B of Section IV (*Offer Price and Financial Arrangements*), PAC 2 does not have any major contingent liabilities as on 17 June 2020.

D. PAC 3 – CVC Capital Partners Investment Asia V L.P.

1. CVC Capital Partners Investment Asia V L.P., a limited partnership, was formed on June 28, 2018 under the laws of Jersey (Registered Number 2768). Its registered address is Lime Grove House, Green Street, St. Helier, Jersey – JE1 2ST. There has been no change in the name of PAC 3 since its formation.
2. PAC 3 is part of the CVC Group. The principal activity of PAC 3 is to carry on the activities of identifying, researching, negotiating, making, holding, monitoring and realizing investments, with the principal objective of generating long term capital appreciation and realizing capital gain.
3. PAC 3 holds 1.58% shares in PAC 1, which in turn, holds 100% of the share capital of the Acquirer.
4. PAC 3 is not listed on any stock exchange in India or abroad.
5. The general partner of PAC 3 is CVC Capital Partners Asia V Limited, which is controlled by its ultimate parent company, CVC Capital Partners SICAV-FIS S.A.
6. Other than the transaction detailed in Part A of Section I (*Details of the Offer*) above, which has triggered this Offer, pursuant to which the Acquirer shall acquire Equity Shares in the Target Company, as on the date of this DLoF, the PAC 3, its general partner, and its key managerial employees (if any) do not hold any ownership/ interest/ relationship/ shares in the Target Company. Further, since PAC 3 is a limited partnership, it does not have any directors.
7. PAC 3, as of the date of the DLoF, has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

8. PAC 3 was formed on June 28, 2018 and is not required to prepare audited or limited review audited financial statements as of the date of this DLoF.
 9. Other than in connection with the Investment Agreement and as detailed in Part B of Section IV (*Offer Price and Financial Arrangements*), PAC 3 does not have any major contingent liabilities as on 17 June 2020.
- E. PAC 4 – CVC Capital Partners Asia V Associates L.P.**
1. CVC Capital Partners Asia V Associates L.P., a limited partnership, was formed on June 28, 2018 under the laws of Jersey (Registered Number 2766). Its registered address is Lime Grove House Green Street St Helier Jersey JE1 2ST. There has been no change in the name of PAC 4 since its formation.
 2. PAC 4 is part of the CVC Group. The principal activity of PAC 4 is to carry on the activities of identifying, researching, negotiating, making, holding, monitoring and realizing investments, with the principal objective of generating long term capital appreciation and realizing capital gain.
 3. PAC 4 holds 2.27% shares in PAC 1, which in turn, holds 100% of the share capital of the Acquirer.
 4. PAC 4 is not listed on any stock exchange in India or abroad.
 5. The general partner of PAC 4 is CVC Capital Partners Asia V Limited, which is controlled by its ultimate parent company, CVC Capital Partners SICAV-FIS S.A.
 6. Other than the transaction detailed in Part A of Section I (*Details of the Offer*) above, which has triggered this Offer, pursuant to which the Acquirer shall acquire Equity Shares in the Target Company, as on the date of this DLoF, the PAC 4, its general partner, and its key managerial employees (if any) do not hold any ownership/ interest/ relationship/ shares in the Target Company. Further, since PAC 4 is a limited partnership, it does not have any directors.
 7. PAC 4, as of the date of the DLoF, has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
 8. PAC 4 was formed on June 28, 2018 and is not required to prepare audited or limited review audited financial statements as of the date of this DLoF.
 9. Other than in connection with the Investment Agreement and as detailed in Part B of Section IV (*Offer Price and Financial Arrangements*), PAC 4 does not have any major contingent liabilities as on 17 June 2020.

III. BACKGROUND OF THE TARGET COMPANY

1. The Target Company is a public limited company incorporated in Bengaluru, India. The Target Company was originally incorporated as Curie Centre of Oncology Private Limited on March 12, 1998 at Bengaluru, Karnataka, India as a private limited company under the Companies Act, 1956. The name of the Target Company was subsequently changed to HealthCare Global Enterprises Private Limited and a fresh certificate of incorporation was issued on November 14, 2005. The Target Company was converted into a public limited company and the name of the Target Company was changed to HealthCare Global Enterprises Limited and a fresh certificate of incorporation was issued on July 5, 2006.
2. The Target Company has its registered office at HCG Tower, No. 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru, Karnataka, 560027, India, Tel: + 91 080 4020 6000/4660 7700. The Corporate Identity Number (CIN) of the Target Company is L15200KA1998PLC023489.
3. The Target is currently engaged in the business of: (i) cancer care services, providing diagnosis and treatment services through nuclear medicine, radiation therapy, medical oncology and surgical oncology amongst others, (ii) multi-specialty hospitals; (iii) reproductive medicine services such as assisted reproduction, gynaecological endoscopy and fertility preservation, and (iv) life sciences research and clinical, diagnostics providing precision medicine solutions.
4. The Equity Shares of the Target Company are listed on the BSE (Scrip ID: HCG, Scrip Code: 539787) and the NSE (Symbol: HCG). The ISIN of the Target Company is INE075I01017.
5. The Equity Shares are frequently traded on NSE, in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
6. As of the date of this DLoF, the authorized share capital of the Target Company is INR 2000,000,000 divided into 200,000,000 Equity Shares of face value of INR 10 each.
7. The share capital structure of the Target Company is as follows:

Equity Shares of Target Company	No. of Equity Shares/ voting rights	% of Equity Shares/ voting rights
Fully paid up Equity Shares	8,86,90,629	100%
Partly paid up Equity Shares	NIL	NA
Total paid up Equity Shares	8,86,90,629	100%
Total voting rights in Target Company	8,86,90,629	100%

8. The Expanded Voting Share Capital of the Target Company is as follows:

Particulars	No. of shares	% of Expanded Voting Share Capital
Fully paid up Equity Shares	8,86,90,629	70.71%
Partly paid up Equity Shares	Nil	NA
Employee Stock Options (“ESOPs”) vested or which will vest prior to December 31, 2020*	1,71,267	0.14%
Equity Shares proposed to be allotted under the Preferential Issue	2,95,16,260	23.53%
Warrants proposed to be allotted under the Preferential Issue which the Acquirer has agreed to exercise on the date of subscription	70,57,195	5.63%
Expanded Voting Share Capital	12,54,35,351	100.00%

* Subsequent to the date of the PA, 5,877 ESOPs have lapsed on June 16, 2020

9. The Equity Shares of the Target Company have not been delisted from any stock exchange in India.
10. There are no outstanding shares of the Target Company that have been issued but not listed on BSE and NSE.
11. Trading of the Equity Shares of the Target Company is not currently suspended on the Stock Exchanges.
12. As on the date of the Draft Letter of Offer there are no partly paid up equity shares in the share capital of the Target Company and no outstanding instruments (compulsorily convertible debentures, compulsorily convertible preference shares, optionally convertible debentures or preference shares or partially convertible debentures) that are convertible into Equity Shares, other than:
 - i. As per the Investment Agreement, the Target Company shall allot to the Acquirer, by way of preferential allotment, subject to the approval of the shareholders of the Target Company and other statutory/ regulatory approvals, 18,560,663 warrants representing the right to subscribe to 18,560,663 Equity Shares of which the Acquirer has agreed to exercise 7,057,195 Warrants representing 7,057,195 Equity Shares on the date of subscription. The Acquirer has also agreed not to exercise the balance 11,503,468 Warrants until the expiry of 15 (Fifteen) business days from the completion of the Open Offer.
 - ii. The Target shall allot upto 20,00,000 warrants representing upto 20,00,000 equity shares to the Promoter which cannot be exercised until the expiry of 15 (Fifteen) business days from the completion of the Open Offer.
13. The details of the board of directors of the Target Company as of the date of the Draft Letter of Offer are provided below.

Name	Director Identification Number	Date of appointment	Designation
Basavalinga Sadashivaiah Ajaikumar	00713779	07-03-2000	Whole Time Director and CEO and Chairman of the Board (effective from July 14, 2006)
Gangadhara Ganapati	00489200	21-12-2005	Non-Executive Director
Ramesh S Bilimagga Shankappasetty	00518434	10-11-2016	Non – Executive Director (Effective from May 22, 2020)
Amit Varma	02241746	10-11-2016	Non-Executive Director
Sudhakar Rao	00267211	25-02-2015 (Reappointed further for a period of 5 years w.e.f 25.02.2020)	Independent Director
Shanker Annaswamy	00449634	25-02-2015 (Reappointed further for a period of 5 years w.e.f 25.02.2020)	Independent Director
Bhushani Kumar	07195076	29-05-2015 (Reappointed further for a period of 1 year w.e.f 29.05.2020)	Independent Director

14. The Target Company has been a party to the following schemes of amalgamation, restructuring, merger / demerger and spin off during the last three years:

- a. Scheme of Amalgamation of HCG Pinnacle Oncology Private Limited (HCG Pinnacle), subsidiary company with the Target Company as approved by the Regional Director, MCA, Hyderabad: HCG Pinnacle Oncology Private Limited, a wholly owned subsidiary of the Company (Transferor Company), has been merged with the Company (Transferee Company) in accordance with the terms of a Scheme of Amalgamation (the Scheme) as approved by the Regional Director, Ministry of Corporate Affairs, Hyderabad with an appointed date of April 01, 2016. The Scheme was approved by the Regional Director, MCA, Hyderabad on January 30, 2018. HCG Pinnacle was engaged in the business of rendering treatment to persons with cancer and operating medical service centres. Pursuant to the scheme, all assets, debts, outstandings, credits, liabilities, duties and obligations of HCG Pinnacle were transferred to and vested in the Target Company. Further all employees of HCG Pinnacle in service as on the effective date under the scheme became the employees of the Target Company.
 - b. Scheme of Amalgamation of DKR HealthCare Private Limited (DKR) with BACC HealthCare Private Limited (BACC), a subsidiary of the Target Company, as approved by the Regional Director, MCA, Hyderabad:DKR HealthCare Private Limited (Transferor Company), the wholly owned subsidiary of BACC HealthCare Private Limited (Transferee Company) has been merged with the Transferee Company in accordance with the terms of a Scheme of Amalgamation (the Scheme) as approved by the Regional Director, Ministry of Corporate affairs, Hyderabad with an appointed date of 01st April 2017. The scheme was approved by Regional Director, MCA, Hyderabad on January 29, 2018. This amalgamation has led to administrative and operational rationalization and has promoted organisational efficiencies. DKR was engaged in operating and managing fertility business/IVF. Pursuant to the scheme, all assets, debts, outstandings, credits, liabilities, duties and obligations of DKR were transferred to and vested in BACC. Further all employees of DKR in service as on the effective date under the scheme became the employees of BACC.
15. Brief consolidated financial information of the Target Company as at and for the financial years ended March 31, 2017, March 31, 2018 and March 31, 2019 extracted from the respective audited consolidated financial statements for the said financial years, and for the nine month period ending December 31, 2019 extracted from the unaudited limited review consolidated financial information for the said period, are as follows:

(In INR million)

Profit & Loss Statement	From audited financials for year ended and as of March 31, 2017	From audited financials for year ended and as of March 31, 2018	From audited financials for year ended and as of March 31, 2019	As at and for nine months period ended December 31, 2019 (Unaudited, limited review)
Income from operations	7,001	8,307	9,787	8,281
Other Income*	97	128	74	24
Total Income	7,098	8,435	9,861	8,306
Total expenditure (Excluding Depreciation, Finance Cost and Tax)	5,951	7,119	8,535	6,891
Profit Before Depreciation, Interest and Tax	1,147	1,316	1,326	1,414
Depreciation**	568	715	851	1063.9
Finance Cost	230	424	699	1018.5
(Loss)/profit before share of loss of an associate / joint venture, exceptional items and tax	348	178	(224)	(668)
Share of loss of an associate / joint venture	-	(14)	(110)	(108)
Exceptional items	-	108		

Profit & Loss Statement	From audited financials for year ended and as of March 31, 2017	From audited financials for year ended and as of March 31, 2018	From audited financials for year ended and as of March 31, 2019	As at and for nine months period ended December 31, 2019 (Unaudited, limited review)
Profit before tax	348	272	(334)	(776)
Provision for tax	118	102	(25)	(26)
Profit after tax	230	169	(309)	(750)

(In INR million)

Balance Sheet	From audited financials for year ended and as of March 31, 2017	From audited financials for year ended and as of March 31, 2018	From audited financials for year ended and as of March 31, 2019	As at and for nine months period ended December 31, 2019 (Unaudited, limited review)
Sources of Funds				
Paid up Share Capital	857	869	879	-
Reserves and Surplus (excluding revaluation reserves)	3,469	4,282	3,887	-
Net Worth	4,327	5,151	4,766	-
Other reserve & Minority Interest	575	639	455	-
Secured Loans	1,862	2,578	4,328	-
Unsecured Loans	2,326	2,051	2,251	-
Non-Current Liability	874	1,335	671	-
Total	9,962	11,754	12,472	-
Uses of Funds				
Net Fixed Assets	7,652	8,865	10,042	-
Other Non-Current Assets	2,131	2,890	3,274	-
Investments	40	480	490	-
Net Current Assets	140	(482)	(1,334)	-
Total	9,962	11,754	12,472	-

Other financial data	From audited financials for year ended and as of March 31, 2017	From audited financials for year ended and as of March 31, 2018	From audited financials for year ended and as of March 31, 2019	As at and for nine months period ended December 31, 2019 (Unaudited, limited review)
Earnings per share				
<i>Basic</i>	2.69	2.38	(2.82)	(7.13)
<i>Diluted</i>	2.69	2.38	(2.82)	(7.13)
Dividend %	-	-	-	-
Return on net worth	5%	3%	NA	-
Book value per share	50.48	59.27	54.21	-

16. Shareholding pattern of the Target Company pre and post Offer is provided below:

	Shareholders' category	Shareholding and voting rights prior to the agreement/ acquisition and offer		Shares/voting rights agreed to be acquired which triggered off the Regulation		Shares/voting rights to be acquired in the open offer (assuming full acceptance)		Shares/voting rights after the acquisition and offer	
		(A)		(B)		(C)		(A)+(B)+(C) = (D)	
		No. of Equity Shares ⁽¹⁾	%	No. of Equity Shares	% ⁽²⁾	No. of Equity Shares	% ⁽²⁾	No. of Equity Shares	% ⁽²⁾
1	Promoter group								
A	Parties to the agreement, if any	176,80,921	19.90%	-	-	-	-	176,80,921	14.10%
B	Promoters other than A above	35,13,911	3.95%	-	-	-	-	35,13,911	2.80%
C	Total 1 (A+B)	211,94,832	23.85%	-	-	-	-	211,94,832	16.90%
2	Acquirers								
A	<u>Acquirer</u>								
-	Aceso Company Pte. Ltd.	-	0.00%	365,73,455	29.16%	326,13,192	26.00%	691,86,647	55.16%
	Total	-	0.00%	365,73,455	29.16%	326,13,192	26.00%	691,86,647	55.16%
B	<u>PACs</u>		0.00%						
	Aceso Investment Holdings Pte. Ltd.		0.00%						
-	CVC Capital Partners Asia V L.P.	-	0.00%	-	-	-	-	-	-
-	CVC Capital Partners Investment Asia V L.P	-	0.00%	-	-	-	-	-	-
-	CVC Capital Partners Asia V Associates L.P	-	0.00%	-	-	-	-	-	-
	Total	-	0.00%	-	-	-	-	-	-
C	Total (A+B)	-	0.00%	365,73,455	29.16%	326,13,192	26.00%	691,86,647	55.16%
3	Parties to agreement other than 1A and 2	-	0.00%	-	-	-	-	-	-
4	Public (other than parties to the agreement, Acquirers and PACs)	-	0.00%	-	-	-	-	-	-
A	FPIs/FIs/MFs/FIIs/Banks/ AIFs/ Foreign Company ⁴	434,44,088	48.89%	-	-	-	-	350,53,872	27.95%
B	Other Public ⁴	240,51,709	27.07%	-	-	-	-		
C	Employee stock options considered for determining Expanded Voting Share Capital	1,71,267	0.19%	-	-	-	-		
	Total (A+B+C)	676,67,064	76.15%					350,53,872	27.95%
	Grand Total (1+2+3+4)	888,61,896	100.00%					1254,35,351	100.00%

Notes

1. Calculated on the basis of the current equity share capital of the Target Company.
2. Calculated on the basis of Expanded Voting Share Capital of the Target Company
3. Assuming the members of the promoter and promoter group do not sell their shares during the offer period (as defined in the SEBI (SAST) Regulations).
4. The number of shareholders of the Target Company in the "public category" as on June 12, 2020 is 12,344.

IV. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification of Offer Price

1. This Offer is a mandatory offer made in compliance with Regulations 3(1), 4 and other applicable regulations of the SEBI (SAST) Regulations, pursuant to the substantial acquisition of shares, voting rights and control of and over the Target Company.
2. The Offer Price is INR 130 (Indian Rupees One Hundred and Thirty) per Offer Share.
3. The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.
4. The Equity Shares of the Target Company are listed on the Stock Exchanges.
5. The trading turnover in the Equity Shares based on the trading volumes during the twelve months prior to the month of the PA on the Stock Exchanges is as given below:

Stock exchange	Total traded volumes during the 12 calendar months preceding date of the PA ("A")	Weighted average number of Equity Shares during the 12 calendar months preceding date of the PA ("B")	Trading turnover % (A/B)
BSE	42,74,619	8,86,13,991	4.82%
NSE	3,29,82,536	8,86,13,991	37.22%

Source: Certificate dated June 4, 2020 issued by Vishal Laheri & Associates, Chartered Accountants.

6. Based on the above, the Equity Shares are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations on NSE. Furthermore, the maximum volume of trading in the shares of the Target Company for a period of 60 trading days immediately preceding the date of the PA has been recorded on the NSE.
7. The Offer Price of INR 130 per Offer Share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

S. No.	Details	Price (per share)
(a)	The highest negotiated price per Equity Share of the Target Company for any acquisition under an agreement attracting the obligation to make a PA of an Open Offer i.e. the price per share under the Investment Agreement	130/-
(b)	The volume weighted average price paid or payable per Equity Share for acquisitions by the Acquirer or by of the PACs during the fifty two weeks immediately preceding the date of the PA	Not Applicable
(c)	The highest price per Equity Share paid or payable for any acquisition by the Acquirer or by PACs with him during the twenty-six weeks immediately preceding the date of the PA	Not Applicable
(d)	The volume weighted average market price per Equity Share for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchanges during such period and such shares being frequently traded	92.27
(e)	Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to Offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies;	Not Applicable
(f)	The per equity share value computed under regulation 8(5), if applicable	Not Applicable ⁽¹⁾

Source: Certificate dated June 4, 2020 issued by Vishal Laheri & Associates, Chartered Accountants.

Note:

1. Not applicable since the acquisition is not an indirect acquisition

8. In view of the parameters considered and presented in the table in paragraph 4 above, the minimum offer price per Equity Share under Regulation 8(2) of the SEBI (SAST) Regulations is the highest of item numbers (a) to (f) above i.e. INR 130/- per Equity Share. Accordingly, the Offer Price is justified in terms of the SEBI (SAST) Regulations.
9. Since the date of the PA, there have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be revised in the event of any corporate actions like bonus issues, rights issues, stock splits, etc. where the record date for effecting such corporate actions falls within 3 (three) Working Days prior to the commencement of Tendering Period.
10. The Offer Price may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PACs, at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. If the Acquirer, along with the PACs, acquires or agrees to acquire any Equity Shares in the Target Company during the Offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with Regulation 8(8) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the amount kept in the escrow account under Regulation 17 of the SEBI (SAST) Regulations; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Offer. However, the Acquirer and PACs shall not acquire any Equity Shares during the period commencing 3 (three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period.
11. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

B. Financial Arrangements

1. The total funding requirement for the Offer, assuming full acceptance, i.e. for the acquisition of 32,613,192 Offer Shares, at the Offer Price of INR 130/- per Equity Share (being the Maximum Open Offer Consideration), is INR 4,239,714,960.
2. The Acquirer has confirmed that it has made firm financial arrangements for fulfilling the payment obligations under this Open Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations and the Acquirer is able to implement this Open Offer.
3. In accordance with Regulation 17(3) of the SEBI (SAST) Regulations, the Acquirer, the Manager to the Offer and Kotak Mahindra Bank Limited, having its registered office at 2nd Floor, 27BKC, Plot No. C-27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 and acting through its Mumbai branch at Nariman Point ("**Escrow Bank**") have entered into an Escrow Agreement dated June 4, 2020 ("**Escrow Agreement**"). Pursuant to the Escrow Agreement, the Acquirer has opened an escrow account under the name and title of "Aceso Company Pte Ltd-Open Offer-Escrow" bearing account number 2813980845 ("**Escrow Account**") with the Escrow Bank and has made a cash deposit of INR 106,01,28,740.00/- (Indian Rupees One Hundred and Six Crore One lakh Twenty Eight Thousand Seven Hundred Forty only) in the Escrow Account in accordance with the Regulation 17(5) of the SEBI (SAST) Regulations. This cash deposit is in excess of 25% of the Maximum Open Offer Consideration, and has been confirmed vide a confirmation letter dated June 05, 2020 issued by the Escrow Bank. The Manager to the Open Offer has been solely authorised by the Acquirer to operate and realize the monies lying to the credit of the Escrow Account, in terms of the SEBI (SAST) Regulations.
4. The Acquirer has received commitment letters from the PACs pursuant to which the PACs have undertaken to provide the necessary funds required for the Open Offer and the Underlying Transactions. The fund arrangement of the PACs primarily consists of uncalled committed capital of PAC 2, PAC 3

and PAC 4 (collectively, “**CVC Asia Fund V**”). CVC Asia Fund V has total capital commitments of more than USD 4,000 million (i.e. INR 302,116 million based on the exchange rate of USD 1 = INR 75.529). The Acquirer has also, *vide* letter dated June 3, 2020, confirmed that, based on the aforementioned, it has sufficient means and capability for the purpose of fulfilling its obligations under the Offer and that firm financial resources/ arrangements through verifiable means are in place to fulfill the obligations under the Offer. After considering the aforementioned, Vishal Laheri & Associates, Chartered Accountants (Mr Vishal Laheri, Membership No. 115033), having its office at 81, Nirmal’s Nest, Devidas Road, Borivali- West, Mumbai-400103 (Telephone Number: +91 22 69408000), *vide* certificate dated 4 June, 2020, have certified that the Acquirer has adequate financial resources for fulfilling its obligations under the Offer.

5. Based on the above, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer and the PACs to fulfill the obligations in relation to this Open Offer through verifiable means in accordance with the SEBI (SAST) Regulations.
6. In case of any upward revision in the Offer Price or the Offer Size, the value of the escrow amount shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded in the escrow account by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.
7. In terms of Regulation 22(2) and the proviso to Regulation 22(2A) of the SEBI (SAST) Regulations, subject to the Acquirer depositing in the Open Offer Escrow Account, cash of an amount equal to the entire Maximum Open Offer Consideration, the Acquirer and the PACs may, after the expiry of 21 days from date of the DPS, subject to fulfillment of conditions as detailed in Section I (*Details of the Offer*), complete the subscription of the Investor Subscription Securities pursuant to the Investment Agreement.

V. TERMS AND CONDITIONS OF THE OFFER

A. Operational Terms and Conditions

1. As per the indicative schedule of major activities, the Tendering Period for the Offer shall commence on July 27, 2020 (Monday) and close on August 07, 2020 (Friday).
2. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.
3. The locked-in Equity Shares, if any, may be transferred to the Acquirer subject to the continuation of the residual lock -in period in the hands of the Acquirer, as may be permitted under applicable law. It is the sole responsibility of the Public Shareholder tendering their Equity Shares, to ensure that the locked-in Equity Shares are free from lock-in before such transfer to Acquirer. The Manager to the Open Offer shall ensure that there shall be no discrimination in the acceptance of locked-in and non locked-in Equity Shares.
4. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations.
5. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
6. The Identified Date for this Offer as per the indicative schedule of major activities is July 13, 2020 (Monday).
7. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (one) only.
8. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
9. Accidental omission to dispatch the Letter of Offer to any Public Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such Public Shareholder shall not invalidate this Offer in any way.
10. All the Equity Shares validly tendered under this Offer to the extent of the Offer Size will be acquired by the Acquirer in accordance with the terms and conditions set forth in this Draft Letter of Offer.

B. Eligibility for accepting the Offer

1. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of the Target Company on the Identified Date.
2. All Public Shareholders, registered or unregistered, who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period are eligible (subject to Section V (*Terms and Conditions of the Offer*) below) to participate in this Offer.
3. The Public Announcement, the Detailed Public Statement, the Letter of Offer and the Form of Acceptance-cum-Acknowledgement will also be available on SEBI's website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgement from SEBI's website.
4. There shall be no discrimination in the acceptance of locked-in and non locked-in Equity Shares in the Offer. The residual lock-in period will continue in the hands of the Acquirer. The Equity Shares to be acquired under the Offer must be free from all liens, charges and encumbrances and will be acquired together with all rights attached thereto.

5. The acceptance of this Offer by Public Shareholders must be unconditional, absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
6. The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company.
7. None of the Acquirer, the PACs, the Manager or the Registrar to the Offer accepts any responsibility for any loss of equity share certificates, Offer acceptance forms, share transfer forms etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
8. The acceptance of Equity Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager. If the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the Offer Size, then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, in consultation with the Manager to the Offer.
9. There has been no revision in the Offer Price or Offer Size as of the date of this DLoF. The Acquirer reserves the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 1 (one) Working Day prior to the commencement of the Tendering Period, i.e., up to Thursday, July 23, 2020, in accordance with the SEBI (SAST) Regulations and the revision, if any, in the Offer Price and/or the Offer Size would be announced in the same newspapers where the DPS was published. The Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DPS and the Draft Letter of Offer.
10. The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgement constitute part of the terms of the Offer.
11. As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations, and SEBI PR 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. April 1, 2019. Accordingly, the Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the Offer can do so only after the Equity Shares are dematerialized. Such Public Shareholders are advised to approach any depository participant to have their equity shares dematerialized.

C. Statutory and Other approvals

1. To the best of the knowledge of the Acquirer and the PACs, there are no statutory or other approval(s) required to complete the acquisition under the Investment Agreement and the Offer as on the date of this Draft Letter of Offer, except as set out below in subsequent paragraphs and in this part. If, however, any statutory or other approval(s) becomes applicable prior to completion of such acquisition, the Offer would also be subject to such other statutory or other approval(s) being obtained.
 - a) Approval of the Competition Commission of India for the consummation of the Underlying Transaction and the Open Offer;
 - b) Given the significant direct and indirect shareholding of residents of the United States of America (“U.S.”) in the Target Company, approval in the form of exemptive relief from the SEC is required in order to allow the Open Offer to be made to U.S. shareholders without breaching the rules under the Securities Exchange Act of 1934 (as amended); and
 - c) In-principle approval from the Stock Exchanges to the issuance of the Investor Subscription Securities.
2. The necessary applications for these regulatory / statutory approvals have been made and / or shall be made shortly.
3. NRI and OCB holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to the Open Offer and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept the Open Offer. Further, if holders of Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) had required any approval from the RBI, the FIPB or any other regulatory body in respect of the Equity

Shares held by them in the Target Company, they will be required to submit such previous approvals that they would have obtained for acquiring and holding the Equity Shares of the Target Company to tender Equity Shares held by them pursuant to the Open Offer, along with the Form of Acceptance-cum-Acknowledgement and other documents required to be tendered to accept the Open Offer as mentioned in the Draft Letter of Offer. In the event such approvals and supporting documents are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in the Open Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on a repatriable basis or a non-repatriable basis.

4. The Offer is also subject to the satisfaction of the conditions stipulated under the Investment Agreement and disclosed in paragraph 4.5 of Part A of Section I (*Details of the Offer*) (all of which are considered to be outside the reasonable control of the Acquirer and the PACs).
5. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approval(s) are required in order to complete this Offer.
6. In case of delay in receipt of any statutory approval(s), SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer and/or the PACs to diligently pursue such approval, grant an extension of time for the purpose of completion of this Open Offer subject to such terms and conditions as may be specified by SEBI, including payment of interest at such rate as may be prescribed by SEBI from time to time in accordance with Regulation 18(11) of the SEBI (SAST) Regulations.
7. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that any of the approvals, whether relating to the acquisition of the Offer Shares specified in the DPS and Part C of Section V (*Terms and Conditions of the Offer*) of this Draft Letter of Offer or those which become applicable prior to completion of the Offer are not received, or if any of the conditions relating to the acquisition under the Investment Agreement set out in paragraph 4.5 of Part A of Section I (*Details of the Offer*) above, all of which are outside the reasonable control of the Acquirer and the PACs, are not satisfied in accordance with the Investment Agreement, the Acquirer and the PACs shall have the right to withdraw the Offer. In the event of such a withdrawal of the Offer, the Acquirer and the PACs (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

VI. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

1. The Acquirer is not a person resident in India under applicable foreign exchange control regulations in India. If the Acquirer does not have control over the Target Company at the time of acquiring the Equity Shares tendered by the Public Shareholders under the Offer (“**Offer Shares**”), the Acquirer will not be permitted to acquire the Equity Shares of the Target Company on the floor of the recognized stock exchanges in India, as per applicable foreign exchange control regulations in India. In such an event, the Acquirer will acquire the Offer Shares in accordance with the ‘tender offer method’ prescribed by SEBI, in accordance with paragraph (c) of the SEBI Circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, as amended by SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016.
2. The eligible Public Shareholders of the Target Company, who wish to avail of and accept the Offer, can deliver duly filled and signed Form of Acceptance-cum-Acknowledgement along with all the relevant documents (envelope should be super-scribed “**Unit : Healthcare Global Enterprises - Open Offer**”) at the collection centres mentioned below in accordance with the procedure as set out in the Letter of Offer on or before the closure of Tendering Period.

No	City	Contact person	Address	Tel. No.	Fax No.	E-mail id	Mode of delivery
1	Mumbai	Sumeet Deshpande	Link Intime India Pvt Limited, C-101, 247 park, 1 st floor, L.B.S. Marg, Vikhroli west, Mumbai – 400083	022-49186200	022-49186195	hcg.offer@linkintime.co.in	Hand Delivery / Courier / Registered Post
2	Kolkata	Kuntal Mustafi	Link Intime India Pvt Limited, Room Nos. 502 & 503 , 5th Floor , Vaishno Chamber , 6 Brabourne Road , Kolkata - West Bengal - 700001	033-40049728	-	hcg.offer@linkintime.co.in	Hand Delivery
3	New Delhi	Swapan /Bharat	Link Intime India Pvt Limited, Noble Heights , 1st Floor, Plot NH2,C-1 Block LSC ,Near Savitri Market , Janakpuri , New Delhi -110058	011-41410592/93/94	-	hcg.offer@linkintime.co.in	Hand Delivery
4	Bangalore	Nagendra D. Rao	Link Intime India Pvt Limited, No. 543/A, 7th Main, 3rd Cross, S.L. Bhyrappa Road, Hanumanthanagar, Bangalore - 560 019	080 - 2650 9004	-	hcg.offer@linkintime.co.in	Hand Delivery

Note: For hand delivery, the collection centres timings will be all Working Days anytime from Monday to Friday, between 10am to 1pm and 2pm to 5pm, except Saturdays, Sundays and public holidays.

3. Applicants who cannot hand deliver their documents at the collection centers referred to as above, may send the same by registered post with due acknowledgement or by courier only, at their own risk and cost, to the Registrar to the Offer at its address M/s. Link Intime India Private Limited, **Unit : Healthcare Global Enterprises - Open Offer** (Address: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, India; Telephone number: 022-49186200; Fax number: 022-49186195; Email: hcg.offer@linkintime.co.in; Contact Person: Sumeet Deshpande), on or before the last date of the Tendering Period.
4. In case of non-receipt of the Letter of Offer, an unregistered shareholder may download the same from the SEBI website or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer.
5. Share Certificate(s), Transfer Deed(s), Form of Acceptance-cum-Acknowledgement should not be sent to the Acquirer, the PACs, the Target Company or the Manager to the Offer.
6. Shareholders who wish to tender their Equity Shares in dematerialized form only under this Offer should enclose the following documents duly completed:
 - a. Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective Depositories.
 - b. Photocopy of the delivery instruction slip in 'Off-market' mode or counterfoil of the delivery instruction in 'Off- market' mode, duly acknowledged by the DP, in favour of the Open Offer Escrow Demat Account (*please see below*) before the close of the business hours, on or prior to the last date of the Tendering Period.
 - c. The Registrar to the Offer is not bound to accept those acceptances from the Public Shareholders, for which the (i) corresponding Equity Shares have not been credited to the Open Offer Escrow Demat Account; or (ii) Equity Shares that are credited in the Open Offer Escrow Demat Account but the corresponding Form of Acceptance-cum-Acknowledgment has not been received as on the date of closure of the Tendering Period.
7. For the shareholders holding shares in dematerialized form, the Registrar to the Offer has opened the Open Offer Escrow Demat Account with Ventura Securities Limited as the depository participant in NSDL called, "LIPL HEALTHCARE GLOBAL OPEN OFFER ESCROW DEMAT ACCOUNT". Beneficial owners are requested to fill in the following details in the delivery instructions for the purpose of crediting their Equity Shares in the Open Offer Escrow Demat Account:

DP Name	Ventura Securities Limited
DP ID	IN303116
Client ID	13091509
ISIN No.	INE075I01017
Depository	NSDL
Mode of Instruction	Off Market

Shareholders having their beneficiary account with CDSL have to use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favor of the Open Offer Escrow Demat Account opened with NSDL.

Form of Acceptance-cum-Acknowledgement of dematerialized Equity Shares not credited to the above Open Offer Escrow Demat Account on or before the closure of Tendering Period is liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least 2 (two) Working Days prior to the date of closing of the Tendering Period. For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement.

AS PER THE PROVISIONS OF REGULATION 40(1) OF THE SEBI (LODR) REGULATIONS AND SEBI PR 51/2018 DATED DECEMBER 3, 2018, REQUESTS FOR TRANSFER OF SECURITIES SHALL NOT BE PROCESSED UNLESS THE SECURITIES ARE HELD IN DEMATERIALISED FORM WITH A DEPOSITORY W.E.F. APRIL 1, 2019. ACCORDINGLY,

THE PUBLIC SHAREHOLDERS WHO ARE HOLDING EQUITY SHARES IN PHYSICAL FORM AND ARE DESIROUS OF TENDERING THEIR EQUITY SHARES IN THE OFFER CAN DO SO ONLY AFTER THE EQUITY SHARES ARE DEMATERIALISED. SUCH PUBLIC SHAREHOLDERS ARE ADVISED TO APPROACH ANY DEPOSITORY PARTICIPANT TO HAVE THEIR EQUITY SHARES DEMATERIALISED.

8. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
 - a) Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.
 - b) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
 - c) No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
 - d) In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).
 - e) Any other relevant documents.
9. Unregistered Public Shareholders who have acquired the Equity Shares but whose names do not appear in the records of the Depositories on the Identified Date or those, who have not received the Letter of Offer, may send their application, to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, demat account number, number of shares offered along with the documents as mentioned above so as to reach the Registrar to the Offer on or before the closure of the Tendering Period. Alternatively, such holders of the Equity Shares may apply in the Form of Acceptance-cum-Acknowledgement in relation to this Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website (<http://www.sebi.gov.in/>) or from the Registrar to the Offer. The application is to be sent to the Registrar to the Offer at any of the collection centers that are mentioned in the Letter of Offer, so as to reach the Registrar to the Offer during business hours on or before 5:00 p.m. on the date of closure of the Tendering Period. No indemnity is required from the unregistered owners. In case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in 'Off-market' mode or counterfoil of the delivery instruction in 'Off-market' mode, duly acknowledged by the DP, in favour of the Open Offer Escrow Demat Account, so as to reach the Registrar to the Offer, on or before 5:00 p.m. on the date of the closure of the Tendering Period.
10. Public Shareholders who have sent the Equity Shares held by them for dematerialization need to ensure that the process of dematerialization is completed in time for the credit in the Escrow Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
11. Public Shareholders holding Equity Shares in dematerialized form are requested to issue the necessary standing instruction for the receipt of the credit, if any, in their DP account. Public Shareholders should ensure that their depository account is maintained until all formalities pertaining to the Offer are completed.
12. Equity Shares that are subject to any charge, lien or any other form of encumbrance are liable to be rejected in the Offer.
13. Applications in respect of Equity Shares that are the subject matter of litigation wherein the Public Shareholders of the Target Company may be prohibited from transferring such Equity Shares during the pendency of the said litigation are liable to be rejected if the directions/orders regarding such Equity Shares are not received together with the Equity Shares tendered under the Offer.
14. The application should be signed by all the shareholders as per the registration details available with the Target Company and should be sent to the Registrar to the Offer in an envelope clearly marked 'HealthCare Global Enterprises Limited- Open Offer'.

15. Shareholders of the Target Company who have sent their Equity Shares for transfer should submit Form of Acceptance-cum-Acknowledgement duly completed and signed, a copy of the letter sent to the Target Company (for transfer of said shares) and acknowledgement received thereon and a valid share transfer deed.
16. The Letter of Offer along with the Form of Acceptance-cum-Acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such form from the said website.
17. If the shares tendered in this Offer by the shareholders of the Target Company are more than the Equity Shares agreed to be acquired under the Offer, the Acquirer and the PACs shall accept the offers received from the shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots provided that acquisition of Equity Shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. The minimum marketable lot for the purposes of acceptance of Equity Share of the Target Company would be 1 (One) Equity Share.
18. In case of delay in receipt of any statutory approval(s), as required, SEBI has the power to grant extension of time to the Acquirer and the PACs for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer and the PACs agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirer and the PACs in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Open Offer Escrow Account shall become liable to forfeiture.
19. Unaccepted shares, share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder. Unaccepted shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement.
20. Payment to those Public Shareholders whose tendered Equity Shares are found valid and in order and are approved by the Acquirer, will be done by obtaining the bank account details from the beneficiary position download to be provided by the depositories and the payment shall be processed with the said bank particulars, and not any details provided in the Form of Acceptance cum-Acknowledgment. The decision regarding (i) the acquisition (in part or full), of the Equity Shares tendered pursuant to the Offer, or (ii) rejection of the Equity Shares tendered pursuant to the Offer along with any corresponding payment for the acquired Equity Shares will be dispatched to the Public Shareholders by registered post or by ordinary post or courier as the case may be, at the Public Shareholder's sole risk. Equity Shares held in dematerialized form to the extent not acquired will be credited back to the respective beneficiary account with their respective Depository Participants as per the details furnished by the Beneficial Owners in the Form of Acceptance-cum-Acknowledgment.
21. For Public Shareholders who do not opt for electronic mode of transfer or whose payment consideration is rejected/not credited through DC/NEFT/RTGS, due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through registered post or by ordinary post or courier at the Public Shareholder's sole risk. All cheques/demand drafts/pay orders will be drawn in the name of the first holder, in case of joint holder(s).
22. The Registrar to the Offer will hold in trust the share certificate(s), Form of Acceptance-cum-Acknowledgement, transfer deed(s) and Equity Shares lying in credit of the Open Offer Escrow Demat Account on behalf of the shareholders of Target Company who have accepted the Offer, until the cheques/ drafts or payment made through electronic mode for the consideration and/ or the unaccepted Equity Shares/ share certificates are dispatched/ returned/ credited.
23. While tendering the Equity Shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous approvals from RBI or other regulatory authorities (specific or general) that they would have been required to submit to acquire the Equity Shares of the Target Company under the Offer. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such Equity

Shares tendered. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on a repatriable basis or a non-repatriable basis. While tendering the shares under the Offer, NRIs/ OCBs/ foreign shareholders will also be required to submit a certificate for deduction of tax at lower or nil rate from the Indian income tax authorities (“TDC”), indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, before remitting the consideration. In case the aforesaid TDC is not submitted, the Acquirer will deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

24. If the Acquirer has control over the Target Company in terms of regulation 22(2) of SEBI (SAST) Regulations at the time of acquiring the Offer Shares, the Open Offer will be implemented by the Acquirer through the stock exchange settlement mechanism made available by stock exchanges in the form of a separate window, as provided under the SEBI (SAST) Regulations and SEBI circulars CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and BSE notice no. 20170202-34 dated February 02, 2017, in each case as amended from time to time. Further details regarding the same will be provided to the Public Shareholders at the appropriate time.

COMPLIANCE WITH TAX REQUIREMENTS

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT APPLICABLE FOR FINANCIAL YEAR 2020-21 AND THE REGULATIONS THEREUNDER. THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE INFORMATION ON TAXATION MENTIONED HEREIN IS ON THE BASIS THAT THE OPEN OFFER MAY BE COMPLETED BY WAY OF AN OFF-MARKET TRANSACTION (I.E. NOT THROUGH THE STOCK EXCHANGE SETTLEMENT MECHANISM MADE AVAILABLE BY STOCK EXCHANGES, AS PROVIDED UNDER THE SEBI (SAST) REGULATIONS AND SEBI CIRCULARS CIR/CFD/POLICYCELL/1/2015 DATED APRIL 13, 2015 AND CFD/DCR2/CIR/P/2016/131 DATED DECEMBER 09, 2016 AND BSE NOTICE NO. 20170202-34 DATED FEBRUARY 02, 2017, IN EACH CASE AS AMENDED FROM TIME TO TIME). HOWEVER, IF THE ACQUIRER HAS CONTROL OVER THE TARGET COMPANY AT THE TIME OF ACQUIRING THE OFFER SHARES, THE OPEN OFFER WILL BE IMPLEMENTED BY THE ACQUIRER THROUGH THE STOCK EXCHANGE SETTLEMENT MECHANISM (I.E. ON-MARKET TRANSACTION). THE ACQUIRER AND THE PACS DO NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY OF INCOME-TAX IMPLICATIONS, RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1. **General**

- i The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31.
- ii A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 as amended from time to time (“**Income Tax Act**”). A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person’s India-sourced income (i.e. income which is received or deemed to be received in India or accrues or arises or deemed to accrue or arise in India). In case of shares of a company, the source of income from shares would depend on the “situs” of such shares. As per judicial precedents, generally the “situs” of the shares is where a company is “incorporated” and where its shares can be transferred. Accordingly, since the Target Company is incorporated in India, the Target Company’s shares should be deemed to be “situated” in India and any gains arising to a non-resident on transfer of shares of Target Company should be taxable in India under the Income Tax Act.
- iii Further, the non-resident Shareholder can avail benefits of the Double Taxation Avoidance Agreement (“DTAA”) between India and the respective country of which the said Shareholder is tax resident subject to satisfying relevant conditions including (i) those set out in limitation of benefits provisions present in the said DTAA (if any); (ii) non-applicability of General Anti-Avoidance Rule (“GAAR”); (iii) conditions under Multilateral Instruments (“MLI”) as ratified by India with the respective country of which the said Shareholder is tax resident and (iv) providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- iv The Income Tax Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Open Offer, based on the period of holding, residential status, classification of the Shareholder and nature of the income earned, etc.
- v Based on the provisions of the Income Tax Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the relevant year.
- vi The summary of income-tax implications on tendering of Equity Shares is set out below. All references to Equity Shares herein refer to listed equity shares unless stated otherwise.

2. **Classification of Shareholders:**

Shareholders can be classified under the following categories:

a) **Resident Shareholders being:**

- i. Individuals, Hindu Undivided Family (“HUF”), Association of Persons (“AOP”) and Body of Individuals (“BOI”)
- ii. Others such as Company, Firms etc.

b) **Non-Resident Shareholders being:**

- i. Non- Resident Indians (“NRIs”)
- ii. Foreign Portfolio Investors (“FPIs”) /erstwhile Foreign Institutional Investors (“FIIs”)
- iii. Other non-resident shareholders:
 - Company
 - Other than company

3. **Classification of Income:**

Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for income-tax purposes, depending upon whether such shares were held as a capital asset or as stock in-

trade. Shareholders are also required to refer to Circular No.6/2016 dated February 29, 2016 issued by the Central Board of Direct Taxes (“CBDT”). Shares can be classified under the following two categories:

- i Shares held as ‘investment’ (Income from transfer taxable under the head “**Capital Gains**”);
- ii Shares held as stock-in-trade (Income from transfer taxable under the head “**Profits and Gains from Business or Profession**”).

4. Income from Sale of Equity Shares classified as Investment:

As per the provisions of the Income Tax Act, any gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade).

Securities held by FIIs/ FPIs are treated as ‘capital assets’ under Section 2(14) of the Income Tax Act (whether or not such asset is being held as a capital asset). Therefore, gains arising out of securities held by FPIs will be taxable in India as capital gains. Capital Gains in the hands of shareholders is computed as per provisions of Section 48 of the Income Tax Act.

Period of holding: Depending on the period for which the shares are held, the gain is taxable as “short-term capital gain” or “long-term capital gain”:

- a) **Short term capital assets:** Listed equity shares held for a period less than or equal to 12 (twelve) months prior to the date of transfer. Gains arising therefrom should be taxable as “short term capital gains” (“STCG”).
- b) **Long term capital assets** - Listed equity shares are held for a period more than 12 (twelve) months prior to the date of transfer. Gains arising therefrom should be taxable as “long-term capital gains” (“LTCG”).

5. Tendering of Equity Shares in the Offer through a Recognized Stock Exchange in India:

- a) As per Section 112A of the Income Tax Act, any LTCG in excess of INR 0.1 million, arising on transfer of equity shares that are listed on a recognised stock exchange and have been subject to securities transaction tax (“STT”) upon both acquisition and sale, should be subject to tax at the rate of 10%.
- b) However, section 112A of the Income Tax Act shall not apply if such equity shares were acquired on or after 1 October 2004 and Securities Transaction Tax (‘STT’ under Chapter VII of the Finance (No. 2) Act, 2004) was not paid. In this regard, the Central Government has issued a notification no. 60/2018/F. No. 370142/9/2017-TPL dated 1st October, 2018, providing certain situations wherein section 112A of the Income Tax Act will continue to be applicable even if STT is not paid at the time of acquisition of equity shares. The notification provides for the following situations:
 - Where acquisition of existing listed equity share in a company, whose equity shares are not frequently traded on recognised stock exchanges of India, was made through a preferential issue, subject to certain exceptions;
 - Where transaction for acquisition of existing listed equity share in a company was not entered through recognised stock exchanges of India, subject to certain exceptions;
 - Acquisition of equity share of a company during the period beginning from the date on which the company was delisted from recognised stock exchanges and ending on the date on which the company was again listed on recognised stock exchanges in accordance with the Securities Contracts (Regulation) Act, 1956 read with the SEBI Act and any rules made thereunder.

The notification inter alia provides certain exceptions to the above situations where the provisions of Section 112A will not apply

- a) Further, as per Section 112A, the cost of shares acquired before 1 February 2018 for the purpose of computing LTCG shall be the higher of the following:

(A) Actual cost of acquisition; or

(B) Lower of:

(a) fair market value, and

(b) full value of consideration received or accruing as a result of the transfer of the shares.

Fair market value has been defined to mean the highest price of the equity share quoted on any recognized stock exchange on 31 January 2018.

- a) Where provisions of section 112A are not applicable, LTCG will be chargeable to tax at 20%. However, for a resident Shareholder, an option is available to pay tax on such LTCG under section 112 at either 20% with indexation or 10% without indexation.
- b) Section 111A of the Income Tax Act provides for taxation of STCG arising on sale of listed shares at the rate of 15% provided STT is paid on the transaction.
- c) The tax rates mentioned above should be increased by the applicable surcharge and cess as per the provisions of the Income Tax Act.

6. Tendering of Equity Shares in the Offer by way of an off- market transaction:

- a. For Non-resident Shareholder (other than an FPI / FII, or an NRI who is governed by the provisions of Chapter XII-A of the Income Tax Act), LTCG would be chargeable to tax at the rate of up to 20% in accordance with provisions of section 112 of the Income Tax Act.
- b. For FIIs / FPIs - LTCG would be taxable at 10% in accordance with provisions of section 115AD of the Income Tax Act.
- c. For an NRI who is governed by the provisions of Chapter XII-A of the Income Tax Act, LTCG would be taxable at 10% under Section 115E of the Income Tax Act.
- d. For a resident Shareholder, LTCG is payable at either 20% with indexation or 10% without indexation.
- e. STCG shall be subject to tax at the rates prescribed in First Schedule to the Finance Act (i.e. normal tax rates applicable to different categories of persons).
- f. In case of FIIs / FPIs, STCG would be taxable at the rate of 30% as per provisions of Section 115AD of the Income Tax Act.
- g. The tax rates mentioned above should be increased by the applicable surcharge and cess as per the provisions of the Income Tax Act.
- h. Minimum Alternate Tax (“MAT”) implications may get triggered for certain companies’ resident in India and should be assessed by each of such Shareholder. Foreign companies will not be subject to MAT if the country of residence of such foreign company has entered into a DTAA with India and such foreign company does not have a permanent establishment in India in terms of the DTAA. Likewise, for non-company Shareholders, applicability of the provisions of MAT will also have to be analysed depending upon the facts of each case.
- i. Taxability of capital gains arising to a non-resident in India from the transfer of equity shares shall be determined on the basis of the provisions of the Income Tax Act or the DTAA entered between India and the country of which the non-resident seller is resident, whichever is more beneficial, subject to (i) fulfilment of relevant conditions for availing treaty benefits, provisions of the law of the country of residence of the Seller, (ii) non-applicability of GAAR (demonstrated through commercial substance and strong rationale behind the transaction); (iii) conditions under Multilateral Instruments (“MLI”) as ratified by India with the respective country of which the said Shareholder is tax resident and (iv) maintaining and providing necessary documents prescribed under the Income Tax Act.

7. Income from sale of Equity Shares classified as business income

- i If the shares are held as stock-in-trade by any of the Shareholders of the Target Company, then the gains would be characterized as business income and taxable under the heading “Profits and Gains from Business or Profession”.
- ii **Resident Shareholders: Profits of** (i) individuals, Hindu Undivided Family (“HUF”), association of persons (“AOP”), body of individuals (“BOI”), profits would be taxable at applicable slab rates; (ii) For domestic companies, gains shall be taxable at the eligible corporate tax rate as applicable for such company in accordance with the provisions of the Income Tax Act. and (iii) For persons other than (i) and (ii) above, profits would be taxable @ 30%. No benefit of indexation by virtue of period of holding will be available in any case.
- iii **Non-Resident Shareholders:** Non-resident shareholders can avail benefits of the DTAA between India and the respective country of which the said Shareholder is tax resident subject to satisfying relevant conditions (including non-applicability of GAAR and MLI) and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- iv **Where DTAA provisions are not applicable:** For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates. For foreign companies, profits would be taxed in India @ 40%. For other non-resident shareholders, such as foreign firms, profits would be taxed in India @30%

The tax rates mentioned above should be increased by the applicable surcharge and cess as per the provisions of the Income Tax Act.

8. Withholding tax implications

A. Resident shareholders

- i In absence of any specific provision under the Income Tax Act, the Acquirer is not required to deduct tax on the consideration payable to the resident shareholders pursuant to transfer of Equity Shares.
- ii Section 194A of the Income Tax Act provides that payment of interest, if any, (for delay in payment of Offer consideration) by Acquirer to a resident Shareholder may be chargeable to tax, as income from other sources under Section 56 of the Income Tax Act. For interest payments by the Acquirer for delay in payment of Offer Price, if any, the Acquirer will arrange to deduct the tax at the rate of 10% (as provided in Section 194A the Income Tax Act). However, the Ministry of Finance vide a Press Release dated May 13, 2020 (to deal with economic situation arising out of Covid-19), reduced the rate at which the tax is to be deducted under section 194A from 10% to 7.5% for the period up to March 31, 2021. The same has is yet to be enacted in the Income Tax Act.

Notwithstanding anything contained in both clauses above, no deduction of tax shall be made at source by the Acquirer where the total amount of interest payable to a resident Shareholder does not exceed INR 5,000 or a Tax Deduction Certificate (TDC) from the income tax authorities indicating the amount of tax to be deducted by the Acquirer has been furnished by a resident Shareholder. Also, no tax is to be deducted on interest amount in the case of resident Shareholder being an entity specified under Section 194A(3)(iii) of the Income Tax Act if it submits a self-attested copy of the relevant registration, or notification along with the Form of Acceptance-cum-Acknowledgement.

B. Non-Resident shareholders

As per the provisions of Section 195(1) of the Income Tax Act, any person responsible for paying to a non-resident or to a foreign company any sum chargeable to tax is required to deduct tax at source (including surcharge and cess as applicable) at the applicable rate as per the Income Tax Act. The consideration received by the non-resident Public Shareholders for the Equity Shares accepted in this Offer may be chargeable to tax in India as capital gains under Section 45 of the Income Tax Act or as business profits, depending on the facts and circumstances of the case. The Acquirer is required to deduct tax at source (including surcharge and cess as applicable) at the applicable rate as per the Income Tax Act on the amount of gross consideration as capital gains / business profits unless exempted under the provisions of the Income Tax Act or if any benefit under a DTAA is availed. Further, the Acquirer, subject to DTAA benefits, is required to deduct tax at source (including surcharge and cess as applicable)

at the applicable rate as per the Income Tax Act on the payment of any interest, if any, (paid for delay in payment of the Offer Price) to a non-resident Public Shareholder.

Upon furnishing the TDC by any non- resident Public Shareholder, taxes would be deducted by the Acquirer in accordance with such Certificate. In the absence of a TDC, the taxes would be deducted at the maximum applicable rate on the gross consideration as dealt with the below provided details as applicable as per the Income Tax Act applicable (i.e. 40% in case of foreign company, 30% in case of all other category of persons), for each category of the non- resident Public Shareholder(s) on gross consideration. The tax rates mentioned above should be increased by the applicable surcharge and cess as per the provisions of the Income Tax Act.

- **Payment to Non-resident shareholders being FPIs**

- a. **For payment of Consideration**

- i As per the provisions of Section 196D(2) of the Income Tax Act, no deduction of tax at source is required to be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act, to an FPI, as defined in Section 115AD of the Income Tax Act.
 - ii Further, for the purposes of Section 115AD, FPI will include FPIs as defined under SEBI (Foreign Portfolio Investors) Regulations, 2014. The Acquirer would not deduct tax at source on the payments to FPIs, subject to the following conditions:
 - a) FPIs furnishing the copy of the registration certificate issued by SEBI (including for subaccount of FPI, if any);
 - b) FPIs declaring that they have invested in the Equity Shares in accordance with the applicable SEBI regulations. Such FPIs will be liable to pay tax on their income as per the provisions of the Income Tax Act.
 - iii If the above conditions are not satisfied, FPIs may submit a valid and effective TDC issued by the income tax authorities, along with the Form of Acceptance-cum-Acknowledgement, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. The Acquirer shall deduct tax in accordance with such TDC.
 - iv If none of the above conditions/ requirements as mentioned in (i) and (ii) are satisfied, the Acquirer shall deduct tax at the maximum tax rate applicable under the Income Tax Act (i.e. 40% in case of foreign company, 30% in case of other category of persons) on the gross consideration payable to the Public Shareholder, depending on category of the Public Shareholder.

- b. **For payment of Interest**

- i For interest payments by the Acquirer for delay in payment of the Offer Price, if any, FPIs may submit a TDC from the income tax authorities under the Income Tax Act. The Acquirer will arrange to deduct taxes at source in accordance with such TDC.
 - ii In case of ambiguity, incomplete or conflicting information, the Acquirer will arrange to deduct tax at the maximum marginal rate, as may be applicable to the relevant category to which the Shareholder (i.e. 40% in case of foreign company, 30% in case of all other category of persons) belongs under the Income Tax Act on the interest payable to such Shareholder.

- **Payment to Non-resident shareholders (other than FPIs)**

- a) **Tendering of Equity Shares in the Offer by way of an on-market transaction:**

- If the Offer is completed through the stock exchange, the responsibility of discharging the tax due on the gains or interest (if any) is primarily on the non-resident Shareholder given that practically it is not possible to withhold taxes. The non- resident Shareholder must compute such gains (if any) on this transaction and immediately pay applicable taxes in India, if applicable, in consultation with their custodians/ authorized dealers/ tax advisors appropriately.

The non-resident Shareholders must file their tax return in India inter-alia considering gains arising pursuant to this Offer in consultation with their tax advisors.

- The non-resident Shareholders will undertake to indemnify the Acquirer if any tax demand is raised on the Acquirer on account of gains arising to the non-resident Shareholders or any interest income pursuant to this Offer. The non-resident Shareholders will also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds pursuant to this Offer, copy of tax return filed in India, evidence of the tax paid etc.

b) Tendering of Equity Shares in the Offer by way of an off-market transaction:

i. For payment of Consideration

- While tendering shares under the Offer, all non-resident shareholders (other than FPIs) including NRIs / foreign shareholders shall be required to submit a valid certificate for deduction of tax at a NIL / lower rate issued by the income tax authorities under the Income Tax Act along with the Form of Acceptance-cum-Acknowledgement, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. The Acquirer will arrange to deduct taxes at source in accordance with such TDC only if it has been submitted along with the Form of Acceptance cum- Acknowledgement and the same is valid and effective as of the date on which tax is required to be deducted at source.
- In case the such TDC is not submitted as aforesaid or is otherwise not valid and effective as of the date on which tax is required to be deducted at source, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the Shareholder belongs under the Income Tax Act (i.e. 40% in case of foreign company, 30% in case of all other category of persons), on the gross consideration towards acquisition of shares, payable to such Shareholder under the Offer.
- The Acquirer will not take into consideration any other details and documents (including self-certified computation of tax liability or the computation of tax liability certified by any tax professionals including a chartered accountant, etc.) submitted by the Public Shareholder for deducting a lower amount of tax at source.
- In case of ambiguity, incomplete or conflicting information, the Acquirer will arrange to deduct tax at the applicable maximum marginal rate under the Income Tax Act (i.e. 40% in case of foreign company, 30% in case of all other category of persons) on the entire payment consideration excluding interest.
- The tax rates mentioned above should be increased by the applicable surcharge and cess as per the provisions of the Income Tax Act.
- The non-resident shareholders will undertake to indemnify the Acquirer if any tax demand is raised on the Acquirer on account of gains arising to the nonresident shareholders pursuant to this Offer or due to non-furnishing of tax clearance certificate. The non-resident shareholders will also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds pursuant to this Offer, copy of tax return filed in India, evidence of the tax paid etc.
- The responsibility of discharging the tax due on the gains (if any) is primarily on the non-resident Shareholder. The non-resident Shareholder must compute such gains (if any) on this transaction and immediately pay applicable taxes in India, if applicable, in consultation with their custodians/ authorized dealers/ tax advisors appropriately. The non-resident shareholders also need to file their tax return in India inter alia considering gains arising pursuant to this Offer in consultation with their tax advisors

ii. For payment of Interest

- For interest payments by the Acquirer for delay in payment of the Offer Price, if any, NRIs and other non-resident Shareholders (excluding FPIs) may submit a TDC from the income tax authorities under the Income Tax Act. The Acquirer will arrange to deduct taxes at source in accordance with such TDC.
- In case of ambiguity, incomplete or conflicting information, the Acquirer will arrange to deduct tax at the maximum marginal rate applicable to the category of the Shareholder under the Income Tax Act (i.e. 40% in case of foreign company, 30% in case of all other category of persons) on interest payable to such shareholders.

C. Requirement to submit PAN and other details

- i All Public Shareholders are required to submit their PAN along with self-attested copy of the PAN card for income-tax purposes. In absence of PAN for non-resident Public Shareholders, as per Notification No. 53 /2016, F.No.370 142/16/2016-TPL, they shall furnish self-attested copy of documents containing the following details:
 - a) Name, email id, contact number;
 - b) Address in the country of residence;
 - c) Tax Residency Certificate from the government of the country of residence, if the law of such country provides for issuance of such certificate; and
 - d) Tax identification number in the country of residence, and in case no such number is available, then a unique number on the basis of which such non-resident is identified by the government of the country of which he claims to be a resident.

If PAN or in case of non-resident Public Shareholders not having a PAN, the aforesaid details are not furnished, the Acquirer will arrange to deduct tax at least at the rate of 20% as per Section 206AA of the Income Tax Act or at such rate as applicable and provided below for each category of the Public Shareholders, whichever is higher. The provisions of Section 206AA of the Income Tax Act would apply only where there is an obligation to deduct tax at source.

- ii Each Public Shareholder shall certify its tax residency status (i.e. whether resident or nonresident), nature of its holding (i.e. capital asset / business asset), its tax status (i.e. whether individual, firm, company, AOP/BOI, trust, any other taxable entity), and the entitlement of the non-resident Public Shareholder to invoke a favorable DTAA with India. In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer, it would be assumed that the Public Shareholder is a non-resident Public Shareholder and taxes shall be deducted treating the Public Shareholder as a non-resident and at the maximum marginal tax rate as may be applicable (i.e. 40% in case of foreign company, 30% in case of all other category of persons), under the Income Tax Act, on the entire consideration and interest, if any, payable to such Public Shareholder.
- iii The Acquirer will not accept any request from any Public Shareholder, under any circumstances, for non-deduction of tax at source or deduction of tax at a lower or nil rate, on the basis of any self-computation / computation by any tax consultant, of capital gain and/or interest, if any, and tax payable thereon.

The tax rates mentioned above should be increased by the applicable surcharge and cess as per the provisions of the Income Tax Act.

D. Tax deduction certificate

In case the Acquirer deducts the tax at source in accordance with the provisions of the Income Tax Act, it will issue a certificate in the prescribed form to the shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax on the same, certifying the amount of tax deducted and other prescribed particulars in accordance with the provisions of the Income Tax Act read with the Income-tax Rules, 1962 made thereunder

9. Rate of Surcharge and Cess

In addition to the basic tax rate, applicable Surcharge, Health and Education Cess are currently leviable as under:

Surcharge:

- i In case of domestic companies:
 - a. Surcharge at 10% is leviable where the company has opted under the specific regime of Section 115BAA and 115BAB of the Income Tax Act.
 - b. Surcharge at 12% is leviable where the total income exceeds Rs.10 crore and at 7% where the total income exceeds Rs. 1 crore but is less than Rs.10 crore.
 - c. In case of companies other than domestic companies: Surcharge at 5% is leviable where the total income exceeds Rs.10 crore and at 2% where the total income exceeds Rs.1 crore but is less than Rs.10 crore.
- ii In case of individuals, HUF, AOP, BOI:
 - a. Surcharge at the rate of 10% is leviable where the total income exceeds INR 50 lakh but does not exceed INR 1 crore.
 - b. Surcharge at the rate of 15% is leviable where the total income exceeds INR 1 crore but does not exceed INR 2 crore.
 - c. Surcharge at the rate of 25% is leviable where the total income exceeds INR 2 crore but does not exceed INR 5 crore.
 - d. Surcharge at the rate of 37% is leviable where the total income exceeds INR 5 crore.

In case of capital gains chargeable under section 112A and 111A of the Income Tax Act, the applicable surcharge should not exceed 15%.
- iii In case of Firm and Local Authority: Surcharge at 12% is leviable where the total income exceeds Rs.1 crore.
- iv Cess: Health and Education Cess at 4% is currently leviable in all cases.

With respect to TDS on payment to be made for residents the tax is required to be deducted at basic rates as applicable.

10. Other points for consideration

- i Shareholders who wish to tender their Equity Shares must submit the information / documents, as applicable, all at once along with the Form of Acceptance-cum-Acknowledgement and those that may be additionally requested for by the Acquirer. The documents submitted by the shareholders along with the Form of Acceptance-cum-Acknowledgement will be considered as final. Any further / delayed submission of additional documents, unless specifically requested by the Acquirer, may not be accepted.
- ii Based on the documents and information submitted by the Shareholder, the final decision to deduct tax or not, or the quantum of taxes to be deducted rests solely with the Acquirer.
- iii Taxes once deducted will not be refunded by the Acquirer under any circumstances.
- iv The Acquirer shall deduct tax (if required) as per the information provided and representation made by the shareholders. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the shareholders, such shareholders will be responsible to pay such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

- v The tax deducted by the Acquirer while making the payment to a Shareholder under this Offer may not be the final liability of such shareholders and shall in no way discharge the obligation of the shareholders to appropriately disclose the amount received by it, pursuant to this Offer, before the income tax authorities. The rate at which tax is required to be deducted is based on the tax laws prevailing as on the date of this DLoF. If there is any change in the tax laws with regards to withholding tax rates as on the date of deduction of tax, the tax will be deducted at the rates applicable at the time of deduction of tax.
- vi All shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF THE SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, THE PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER AND THE PACS DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER.

APPLICABILITY OF OTHER RELEVANT LAWS IN INDIA (SUCH AS STAMP DUTY ETC.) SHALL DEPEND ON FACTS OF EACH CASE AND SHAREHOLDERS SHOULD CONSULT WITH THEIR OWN ADVISORS FOR THE SAME.

VII. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection by Public Shareholders at the office of the Manager to the Offer at JM Financial Limited, 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025, India, between 10.30 a.m. and 5.00 p.m. on any Working Day (except Saturdays, Sundays and public holidays) during the Tendering Period.

1. Copies of the certificate of incorporation and constitution documents of the Acquirer and PAC 1;
2. Copies of the certificate of registration of PAC 2, PAC 3 and PAC 4;
3. Certificate dated June 4, 2020 from Vishal Laheri & Associates, Chartered Accountants (Mr Vishal Laheri, Membership No. 115033) having their office at 81, Nirmal's Nest, Devidas Road, Borivali- West, Mumbai-400103, certifying that the Acquirer has adequate financial resources to fulfill its obligations under this Offer;
4. Certificate dated June 4, 2020 from Vishal Laheri & Associates, Chartered Accountants (Mr Vishal Laheri, Membership No. 115033) having their office at 81, Nirmal's Nest, Devidas Road, Borivali- West, Mumbai-400103, certifying the Offer Price computation;
5. Copies of the audited annual reports of HealthCare Global Enterprises Limited for the three financial years ending on March 31, 2017; March 31, 2018, March 31, 2019 and limited reviewed 9 month financial results for the period ended December 31, 2019
6. Letter dated June 05, 2020 from the Escrow Bank confirming the receipt of the cash deposit in the Offer Escrow Account and a lien in favour of the Manager in accordance with the terms of the Open Offer Escrow Agreement between the Acquirer, the Manager and the Escrow Bank;
7. Copy of the Investment Agreement;
8. Copy of the Public Announcement (including any corrigendum to it) submitted to the Stock Exchanges on June 4, 2020;
9. Copy of the Detailed Public Statement (including any corrigendum to it) published by the Manager on behalf of the Acquirer on June 11, 2020;
10. Published copy of the recommendation to be made by the committee of the independent directors of Target Company in relation to the Offer;
11. SEBI observation letter no. [●] dated [●] on the Draft Letter of Offer;
12. A copy of the documentation for opening the Open Offer Escrow Demat Account for the purpose of the Offer; and
13. Open Offer Escrow Agreement dated June 4, 2020 between the Acquirer, the Manager and the Escrow Bank.

VIII. DECLARATION BY THE ACQUIRER AND THE PACS

1. The Acquirer, the PACs and their respective directors accept full responsibility for the information contained in this DLoF (other than such information as has been obtained from public sources or provided or relating to and confirmed by the Target Company), and undertake that they are aware of and will comply with their obligations under the SEBI (SAST) Regulations.
2. The Acquirer and the PACs shall be jointly and severally responsible for the fulfillment of obligations under the SEBI (SAST) Regulations in respect of this Offer.
3. The information pertaining to the Target Company contained in the PA or the DPS or the DLoF or any other advertisement/publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company, or publicly available sources which has not been independently verified by the Acquirer or the PACs or the Manager. The Acquirer, the PACs and the Manager do not accept any responsibility with respect to the information provided by the Target Company.
4. The person(s) signing this DLoF are duly and legally authorized by the Acquirer and the PACs, as applicable, to sign the DLoF.

For and on behalf of the Acquirer and PACs

Aceso Company Pte. Ltd. (Acquirer)
Aceso Investment Holdings Pte. Ltd. (PAC 1)
CVC Capital Partners Asia V L.P. (PAC 2)
CVC Capital Partners Investment Asia V L.P (PAC 3)
CVC Capital Partners Asia V Associates L.P. (PAC 4)

Place: Mumbai

Date: June 18, 2020