

**M.K. DANDEKER & CO LLP**  
*Chartered Accountants*

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**CERTIFICATE ON LOAN UTILISATION**

**Date: January 23, 2025**

To,  
The Board of Directors,  
**Dr. Agarwal's Health Care Limited**  
1st Floor, Buhari Towers,  
No.4, Moores Road, Off Greams Road,  
Near Asan Memorial School,  
Chennai - 600006,  
Tamil Nadu, India

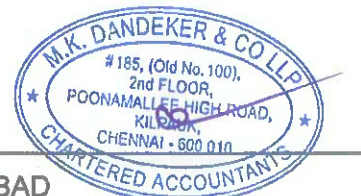
**Kotak Mahindra Capital Company Limited**  
27BKC, 1st Floor, Plot No. C – 27  
"G" Block, Bandra Kurla Complex  
Bandra (East)  
Mumbai – 400 051

**Jefferies India Private Limited**  
Level 16, Express Towers,  
Nariman Point,  
Mumbai - 400021  
Maharashtra, India

**Morgan Stanley India Company Private Limited**  
Altimus, Level 39 & 40,  
Pandurang Budhkar Marg, Worli  
Mumbai 400013  
Maharashtra, India

**Motilal Oswal Investment Advisors Limited**  
Motilal Oswal Tower  
Rahimtullah Sayani Road  
Opposite Parel ST Depot  
Prabhadevi, Mumbai - 400 025  
Maharashtra, India

(Kotak Mahindra Capital Company Limited, Jefferies India Private Limited, Morgan Stanley India Company Private Limited and Motilal Oswal Investment Advisors Limited are collectively referred to as the "Book Running Lead Managers" or the "BRLMs")



**Branches : AHMEDABAD, BENGALURU, CHENNAI, HYDERABAD**  
M.K. Dandeker & Co., a partnership firm converted into M.K. Dandeker & Co LLP  
(A Limited Liability Partnership with LLP Identification No:ACA-6550) with effect from 19-04-2023

**Re: Proposed initial public offering of equity shares of face value of ₹ 1 each (“Equity Shares”) by Dr. Agarwal’s Health Care Limited (the “Company”) and such offering (the “Offer”)**

We, **M.K. Dandeker & Co LLP**, Independent Chartered Accountants engaged by the Company for the purpose of the Offer, have verified the information stated in **Annexure A and Annexure B** with respect to the Company in relation to the borrowings proposed to be repaid from the proceeds of the Offer, based on the following procedures:

1. Reviewed the restated consolidated financial information of the Company and its subsidiaries as at and for the six-month periods ended September 30, 2024, September 31, 2023 and financial years ended March 31, 2024, March 31, 2023, March 31, 2022, prepared in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), the Companies Act, 2013, as amended and read with the rules, circulars and notifications issued in relation thereto (“**Companies Act**”) and the Indian Accounting Standards (Ind AS) notified pursuant to Companies Act, 2013, as amended and the reports issued thereon (the “**Restated Consolidated Financial Information**”);
2. Obtained the sanction letters, facility agreements, security documents and other relevant documentation for the “**Outstanding Facilities**” included in **Annexure A** and verified the purpose of the loan and the sanctioned amount as per relevant sanction letter;
3. For each Outstanding Facilities:
  - a) Traced the outstanding balance of loans as at **December 31, 2024** with the amounts appearing in the unaudited books of account of the Company; and
  - b) Traced the outstanding balance of loans as at **December 31, 2024** with the bank confirmations obtained for the balance.
4. Obtained the sanction letters, facility agreements, security documents and other relevant documentation for the “**Refinanced Facilities**” included in **Annexure A** and verified the purpose of the loan and the sanctioned amount as per relevant sanction letter;
5. For each Outstanding Facility and Refinanced Facility, performed the additional procedures listed in **Annexure B**, to verify the purpose of such Outstanding Facility and Refinanced Facility and utilization of proceeds towards such purpose.
6. Re-computed the mathematical accuracy of **Annexure A** and **Annexure B**.



The preparation of the accompanying annexure is the responsibility of the management of the Company including the compliance with provisions of law, preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes designing, implementation and maintaining control relevant to the preparation and presentation of the financial and other statements, applying an appropriate basis of preparations that is reasonable in the circumstances.

Based on the procedures enumerated above, we hereby certify and confirm that:

- a) the Outstanding Facilities and Refinanced Facilities have been utilized for the purpose they were availed for, as indicated in detail in **Annexure A**;
- b) the details of Outstanding Facilities and Refinanced Facilities as included in **Annexure B** are correct

We have conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" ("**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We consent to the inclusion of this certificate as a part of "Material Contracts and Documents for Inspection" in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the Bid/Offer Closing Date including through online means on the website of the Company.

This certificate is issued for the sole purpose of the Offer, and can be used, in full or part, for inclusion in the red herring prospectus, prospectus and any other material used in connection with the Offer (together, the "**Offer Documents**"), and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law, and for the purpose of any defence the Book Running Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

This certificate may be relied on by the Company, the BRLMs, their affiliates and legal counsel in relation to the Offer.

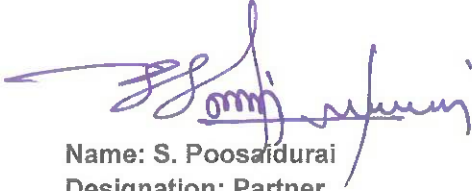
We undertake to update you in writing of any changes in the abovementioned position informed to us by the management of the Company in writing, until the date the Equity Shares issued pursuant to the Issue commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.



All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

Yours faithfully,

For and on behalf of M.K. Dandeker & Co LLP,  
Chartered Accountants  
Firm Regn. No.: 000679S/S000103



Name: S. Poosaidurai  
Designation: Partner  
Membership Number: 223754  
Date: January 23, 2025  
Place: Chennai  
UDIN: 25223754BMHWUK3048

Cc:

**Domestic Legal Counsel to the BRLMs**

**S&R Associates**  
One World Center  
1403 Tower 2 B  
841, Senapati Bapat Marg, Lower Parel  
Mumbai - 400013  
Maharashtra, India

**International Legal Counsel to the BRLMs**

**Sidley Austin LLP**  
Level 31  
Six Battery Road  
Singapore 049909

**Domestic Legal Counsel to the Company**

**Cyril Amarchand Mangaldas**  
3rd Floor  
Prestige Falcon Towers 19  
Brunton Road  
Bengaluru 560 025  
Karnataka, India



Annexure A

Outstanding Facilities

S. No	Name of the lender	Date of sanction Letter	Nature of loan	Tenor	Rate of interest as on December 31, 2024 (% per annum)	Principal Amount Outstanding at December 31, 2024	Repayment Schedule	Month of Repayment	Prepayment conditions and penalty	Purpose as mentioned in the sanction letter	Detailed purpose of utilization	Amount sanctioned as per sanction letter
1	ICICI Bank	06-04-2023	Term Loan	55 Months	I-MCLR-1Y + Spread of 0.15%	1,141.14	18 quarterly installments of a ballooning nature	September-2027	The company shall have an option to prepay once every financial year, through internal accruals /equity infusion any of the amount outstanding under the facility without any	1. Refinancing of existing NCDs outstanding with British International Investment (erstwhile CDC Group) in whole or in part or including or any	The ICICI Loan was fully utilized towards refinancing of the CDC Loan. The CDC loan was utilized towards acquisition of business, operating expenditure and	1,650.00

(₹ million)



2	HDFC Bank	13-06-2022	Term Loan	65 Months	3 Month T-Bill + Spread of 2.09%	299.77	21 quarterly instalments from September 2022	September 2027	prepayment premium subject to borrower giving atleast 15 days prior irrevocable written notice of the same to ICICI bank. In all other cases, 1.0% on the amount of principal of the facility prepaid shall be prepayment premium	incidental expenses associated with such refinancing. 2. Capex/ Reimbursement of capex for an amount not exceeding 300 million.	capital expenditure (including pre-operative expenses and post-operative expenses).	450.00
									NA	Part refinancing of Non-convertible debentures availed from CDC	The HDFC term loan was fully utilized towards partial refinancing of the CDC	



3	HDFC Bank	26-11-2021	Term Loan	70 Months	3 Month T-Bill + Spread of 2.96%	368.33	21 quarterly installments starting from September 2022 (Moratorium was given till August-2022)	September 2027	Prepayment charges of 4.00% + Service tax & Cess of POS for pre-closure during loan tenure.	(i) To close ₹ 300 million existing working capital demand loan .	Group which was used for Capital expenditure, full or partial repayment of existing debt or other bankable end-use in accordance with applicable RBI guideline s.	Loan. The CDC loan was utilized towards acquisitions of business, operating expenditure and capital expenditure (including pre-operative expenses and post-operative expenses ).	A part of the HDFC Term loan was used to repay the short term loan maintain	550.00
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4	YES	Bank	26-04-2023	Term Loan	84 Months (Door to door tenor 7 years, including 1 year moratorium)	3 Month T-Bill + Spread of 2.44%	437.44	24 quarterly installments from June 2024 (Moratorium was given for 1 year)	March-2030	Prepayment charges of 2.0% of on Principal amount of the loan being prepaid subject to the borrower giving at least 15 days prior written	(ii) Expansion and Capex	Provided by the company with HDFC Bank. The remaining facility was utilized for acquisitions of business during the period.	500.00
										Part finance for purchase of asset related to acquisition of target business entities	The Yes Bank Term Loan was availed for financing acquisitions of business.		





										notice of the same. Prepayment charges not applicable, only if term loan is paid through equity or internal accruals		
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(₹ million)

S. No	Name of the lender	Amount sanctioned as per sanction letter	Utilisation of loan for refinancing existing loans	Utilisation of loan for acquisitions (A)	Utilisation of loan for capital expenditures (B)	Utilisation of loan for working capital requirements/ operating expenditures (C)	Total Utilisation (D) = (A) + (B) + (C)
1	ICICI Bank	1650.00	1650.00	0	0	0	1650
2	HDFC Bank (2022 Term Loan)	450.00	450.00	0	0	0	450
3	HDFC Bank (2021 Term Loan)	550.00	300.00	250.00	0	0	550
4	YES Bank	500.00	0	500.00	0	0	500



										See Annexure B for further details
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Refinanced Facilities

(₹ million)

S. No	Name of the lender	Date of sanction Letter	Nature of loan	Amount sanctioned as per sanction letter	Date of closure of the loan	Total amount drawn-down	Purpose as mentioned in the sanction letter
1	CDC	05-11-2019	Issuance of Debentures	2150.00	31-05-2023	2150.00	General corporate expenditure of the Company.
2	HDFC Bank	13-09-2021	WCDL and STL - 300 Million	300.00	26-11-2021	300.00	Bridge financing against the 550 Millions overall sanction of HDFC Term Loan (2021)

(₹ million)

S. No	Name of the lender	Utilisation of loan for acquisitions (A)	Utilisation of loan for capital expenditures (B)	Utilisation of loan for working capital requirements/ operating expenditures (C)	Total Utilisation (D) = (A) + (B) + (C)
1	CDC	972.60	923.91	253.49	2150.00
2	HDFC Bank	300.00	0	0	300.00

See Annexure B for further details

See Annexure B for further details



Annexure B

Loan reference	Name of the lender	Nature of loan, Date and Purpose as mentioned in the sanction letter	Amount mentioned as per Sanction Letter	Bank Account Number for drawdown	Date of Drawdown	Amount of drawdown as per bank statement	Amount of utilisation	Amount outstanding as per books of account as at December 31, 2024	Amount outstanding as per the Bank Statement as at December 31, 2024
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
		(₹ In Millions)	(Rs in millions)	(Rs in millions)	(Rs in millions)	(Rs in millions)	(Rs in millions)	(Rs in millions)	
Loan 1	ICICI Bank	<p>Nature of Loan: Term loan Date of Sanction letter: 06 April 2023</p> <p>Purpose as mentioned in the sanction letter: For the purpose of refinancing of existing NCDs outstanding with British International Investment (erstwhile CDC Group) in whole or in part including any incidental expenses associated with such refinancing. The loan shall also be availed for the purpose of capex/ Reimbursement of capex for an</p>	1,650.00	000905035570	30-May-23	300.00	300.00	1,141.14	1,141.14
				<Note 1>			1,350.00		



		amount not exceeding ₹300 million.					
Loan 2	HDF C Bank	<b>Nature of Loan:</b> Term loan <b>Date of Sanction letter:</b> 13 June 2022  <b>Purpose as mentioned in the sanction letter:</b> Part re-financing of Non convertible debentures availed from CDC Group plc (CDC) which was used for Capital expenditure, full or partial repayment of existing debt or other bankable end-use in accordance with applicable RBI guidelines.	450.00	<Note 3>	450.00	299.77	299.77
			550.00	< Note 2 >	300.00	300.00	368.33
		<b>Nature of Loan:</b> Term loan <b>Date of Sanction letter:</b> 26 Nov 2021  <b>Purpose as mentioned in the sanction letter:</b> 1. To close R. 300 million existing working capital demand loan 2. Expansion and Capex		10978110000038	250.00	250.00	



Loan 3	Yes Bank	Nature of Loan: Term loan Date of Sanction letter: 26 April 2023 Purpose as mentioned in the sanction letter: Part finance for purchase of asset related to acquisition of target business entities.	500.00	05948140000 5032	31-May-23	500.00	500.00	437.44	437.44
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<Note 1> The loan proceeds of ICICI bank were used for refinancing the Non-Convertible Debentures (NCDs) payable to British International Investment (Erstwhile CDC group PLC) which aggregated to ₹ 1,350 million and was directly settled to British International Investment (Erstwhile CDC group PLC) by ICICI bank without routing the funds through bank accounts of Dr. Agarwal's Health Care Limited. The balance amount of ₹ 300 million is routed through the Bank accounts of Dr. Agarwal's Health Care Limited and was used to repay the NCDs.

< Note 2> Out of the total sanctioned loan amount of ₹ 550 million, ₹ 300 million was directly adjusted against the Short-Term Loan maintained by the Company with HDFC bank without routing the funds through bank accounts of Dr. Agarwal's Health Care Limited. An amount of ₹ 246.10 million (net of ₹1.62 million, ₹0.20 million and ₹ 2.08 million pertaining to Processing fee, Pre EMI payment and Interest on Short Term Loan, respectively) was received in the bank accounts of Dr. Agarwal's Health Care Limited

<Note 3> The entire loan proceeds of HDFC bank were used for refinancing the Non-Convertible Debentures (NCDs) payable to British International Investment (Erstwhile CDC group PLC) and was directly settled to British International Investment (Erstwhile CDC group PLC) by HDFC bank without routing the funds through bank accounts of Dr. Agarwal's Health Care Limited.

<Note 4> Above loans are utilized as per the purpose mentioned in the loan agreement.

