

This is an abridged prospectus containing salient features of the Red Herring Prospectus dated July 10, 2023 (the “RHP”). You are encouraged to read greater details available in the RHP (Download link:- <http://asarfi.in/investors/initial-public-offer/>).

THIS ABRIDGED PROSPECTUS CONSISTS OF EIGHT PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.



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## ASARFI HOSPITAL LIMITED

CIN: U85110JH2005PLC011673; Date of Incorporation: October 04, 2005

Registered Office	Contact Person	Email and Telephone	Website
Baramuri, Bishunpur, Polytechnic, Dhanbad-828130 Jharkhand	Seepika Gupta, Company Secretary & Compliance Officer	E-mail: cs@asarfihospital.com Tel No: +91 96088 33708	<a href="http://www.asarfi.in">www.asarfi.in</a>

### PROMOTERS OF THE COMPANY

Harendra Singh, Nayan Prakash Singh, Udai Pratap Singh, Madhuri Singh and Nitu Singh

Type of Issue (Fresh/OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in ₹)	OFS Size (by no. of shares or by amount in ₹)	Total Issue Size (by no. of shares or by amount in ₹)	Issue Under 6(1)/ 6(2)	Share Reservation			
					QIB	NII	RII	Market Maker
Fresh Issue	Upto 51,80,000 Equity Shares	Nil	Upto 51,80,000 Equity Shares	This issue is being made in terms of regulation 229 and 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.	Not more than 24,60,000 equity shares	At least 7,38,000 equity shares	At least 17,22,000 Equity Shares	Upto 2,60,000 Equity shares

These equity shares are proposed to be listed on BSE SME (i.e. SME platform of BSE Limited).

OFS: Offer for Sale

### Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders

Name	Type	No of Shares offered/ Amount in ₹	WACA in ₹ per Equity	Name	Type	No of Shares offered/ Amount in ₹	WACA in ₹ per Equity
NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES							

### PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES

Price Band*	₹ [●] To ₹ [●] Per Equity Share of Face Value of ₹ 10 Each.
Minimum Bid Lot Size	For details of minimum bid lot size, please refer to price band advertisement to be published in all editions of English National Newspaper “Business Standard”, all editions of Hindi National Newspaper “Business Standard” and Dhanbad edition of regional newspaper “Ranchi Express”
Bid/ Issue Open On**	Monday, July 17, 2023
Bid/ Issue Closes On	Wednesday, July 19, 2023
Finalisation of Basis of Allotment	On or about Monday, July 24, 2023
Initiation of Refunds	On or about Tuesday, July 25, 2023
Credit of Equity Shares to Demat accounts of Allottees	On or about Wednesday, July 26, 2023
Commencement of trading of Equity Shares	On or about Thursday, July 27, 2023

\*For details of price band and basis of issue price, please refer to price band advertisement and page 90 of RHP.

\*\*Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date i.e. Friday, July 14, 2023.

**Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP by the promoters**

Period	Name of the Promoter	Weighted Average Cost of Acquisition (in ₹)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in ₹)
Trailing Eighteen Month from the date of RHP	Harendra Singh	13.07	-	Lowest price – 0 Highest price – 13.07
	Nayan Prakash Singh	10.67	-	Lowest price – 0 Highest price – 10.67
	Udai Pratap Singh	8.53	-	Lowest price – 0 Highest price – 8.53
	Madhuri Singh	10.58	-	Lowest price – 0 Highest price – 10.58
	Nitu Singh	8.05	-	Lowest price – 0 Highest price – 8.05

WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of RHP.

**RISKS IN RELATION TO THE FIRST OFFER**

The face value of the Equity Shares is ₹ 10/- per equity share. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 90 should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does, SEBI guarantee the accuracy or adequacy of the contents of the RHP. Specified attention of the investors is invited to the section titled “Risk Factors” at page 25 of the RHP and on page 6 of this Abridged Prospectus.

**PROCEDURE**

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participant s, stock brokers, underwriters, bankers to the issue, investors’ associations or Self Certified Syndicate Banks.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLM’s or download it from the website of the Stock Exchange i.e. [www.bseindia.com](http://www.bseindia.com) and the BRLMs [www.hemsecurities.com](http://www.hemsecurities.com).

**PRICE INFORMATION OF BRLM’s**

Issue name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark)- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark)- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 180 <sup>th</sup> calendar days from listing
Vedant Asset Limited	Hem Securities Limited	44.25% [5.91%]	37.50% [4.32%]	-1.82% [3.85%]
Baheti Recycling Industries Limited		174.67% [-2.73%]	107.78% [4.82%]	135.22% [0.14%]
Chaman Metallics Limited		44.47% [0.68%]	19.74% [-1.05%]	N.A.
Earthstahl & Alloys Limited		22.50% [1.41%]	45.83% [1.81%]	N.A.
Macfos Limited		69.61% [0.71%]	174.41% [5.99%]	N.A.
Systango Technologies Limited		110.56% [5.00%]	132.56% [10.28%]	N.A.
Labelkraft Technologies Limited		0.27% [3.68%]	24.55% [9.66%]	N.A.
Vasa Denticity Limited		156.13% [3.53%]	N.A.	N.A.
Hemant Surgical Industries Limited		34.30% [4.23%]	N.A.	N.A.
Greenchef Appliances Limited		N.A.	N.A.	N.A.

Note:

- a) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.  
 b) Prices on BSE/NSE are considered for all of the above calculations.  
 c) In case 30<sup>th</sup>/ 90<sup>th</sup>/ 180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.  
 d) In case 30<sup>th</sup>/ 90<sup>th</sup>/ 180<sup>th</sup> day, scrips are not traded then last trading price has been considered.  
 e) N.A. – Period not completed

For further details, please refer to “Other Regulatory and Statutory Disclosures - Price information of past issues handled by the BRLMs” on page 221 of the RHP.

Name of BRLM and contact details (telephone and email id) of each BRLM	<b>Hem Securities Limited</b> Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India Tel No.:+91-22-4906 0000 Email: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> Contact Person: Mr. Akun Goyal
Name of Syndicate Members	Hem Finlease Private Limited
Name of Market Maker	Hem Finlease Private Limited
Name of Registrar to the Issue and contact details (telephone and email id)	<b>Cameo Corporate Services Limited</b> Address: No. 1 Club House Road Chennai - 600002 Tamil Nadu, India Tel No.: +91-44-40020700 Email: <a href="mailto:priya@cameoindia.com">priya@cameoindia.com</a> Contact Person: K. Sreepriya Vice President & Company Secretary
Name of Statutory Auditor	<b>M/s. D. N. Dokania &amp; Associates</b>
Name of Credit Rating Agency and the rating or grading obtained, if any	Not Applicable
Name of Debenture trustee, if any.	Not Applicable
Self-Certified Syndicate Banks	The list of banks is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Non-Syndicate Registered Brokers	You can submit Bid cum Application Forms in the Issue to Non Syndicate Registered Brokers at the Non Syndicate Broker Centres. For further details, see section titled “Issue Procedure” beginning at page 242 of the RHP
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>

#### PROMOTERS OF THE ISSUER COMPANY

Sr. No.	Name	Individual/Corporate	Experience & Educational Qualification
1	Harendra Singh	Individual	He has completed his Post Graduate Diploma in Management from Lal Bahadur Shastri Institute of Management, Delhi in year 1991. He has more than 18 years of experience in healthcare industry.
2	Nayan Prakash Singh	Individual	He has been associated with the Company since 2012. He has completed his Bachelor of Ayurvedic Medicine and Surgery from Bihar University in 1988. He has an overall work experience of around 28 years.
3	Udai Pratap Singh	Individual	He has completed Bachelor of Engineering (Electrical & Electronics) from Visvesvaraya Technological University, Karnataka in year 2016 and Master of Engineering from University of Cincinnati, Ohio in year 2017.
4	Madhuri Singh	Individual	She has completed Secondary School Certificate from Bihar Board of Secondary Education in the year 1988.
5	Nitu Singh	Individual	She has been associated with the Company since 2012. She has completed her Bachelor of Arts (Honours) Vinoba Bhave University in year 1994. She has an overall work experience of around 15 years.

## BUSINESS OVERVIEW AND STRATEGY

**Company Overview:** Asarfi Hospital Limited, is a 250 bedded multi-speciality hospital, which is serving people for over one and half decade by providing healthcare services in Dhanbad, Jharkhand. Accredited by National Accreditation Board for Testing and Calibration Laboratories (“NABL Accredited”), we are an integrated healthcare service provider, committed to deliver valued healthcare services to our patients that includes prevention, treatment and proper rehabilitation.

**Service Offering:** Asarfi Hospital Limited, is a 250 bedded multi-speciality hospital, which is serving people for over one and half decade by providing healthcare services in Dhanbad, Jharkhand. Accredited by National Accreditation Board for Testing and Calibration Laboratories (“NABL Accredited”), we are an integrated healthcare service provider, committed to deliver valued healthcare services to our patients that includes prevention, treatment and proper rehabilitation.

### Revenue segmentation by service offering:

₹ in lakhs

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Hospital Sales & Services	6,609.24	6,002.78	4,405.39
Hospital Medicinal Sales	461.09	518.53	1,006.78
<b>Total</b>	<b>7,070.33</b>	<b>6,521.31</b>	<b>5,412.17</b>

### Key Performance Indicators:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations <sup>(1)</sup>	7070.33	6521.31	5412.17
EBITDA <sup>(2)</sup>	1,377.13	1,078.33	803.53
EBITDA Margin <sup>(3)</sup>	19.48%	16.54%	14.85%
PAT <sup>(4)</sup>	801.53	572.84	353.43
PAT Margin <sup>(5)</sup>	11.34%	8.78%	6.53%
RoE(%) <sup>(6)</sup>	19.16%	25.32%	20.91%
RoCE (%) <sup>(7)</sup>	19.91%	23.20%	21.82%

#### Notes:

<sup>(1)</sup> Revenue from operation means revenue from sales, service and other operating revenues

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders’ equity plus total borrowings {current & non-current}.

**Intellectual Property, if any:** As on date of Red Herring Prospectus, the Trademark we are using for our Hospital is owned by the company.

**Market Share:** Not Ascertainable

**Employee Strength:** As on May 31, 2023, we had 70 doctors of whom 42 doctors were Full Time Doctors and 28 doctors were Visiting Doctors. Further, our manpower engagement (excluding doctors) by their positions specified, as of May 31, 2023 was 723.

## BOARD OF DIRECTORS

Sr. No.	Name	Designation (Independent/ Whole Time/ Executive/ Nominee)	Experience & Educational Qualification	Other Directorships
1.	Udai Pratap Singh	Managing Director	<b>Experience:</b> 6 years <b>Qualification:</b> Master of Engineering	<b>Indian Companies:</b> 1. Asarfi Cancer Institute Private Limited <b>Foreign Companies:</b> Nil
2.	Madhuri Singh	Executive Director	<b>Experience:</b> 11 years <b>Qualification:</b> Secondary School Certificate	<b>Indian Companies:</b> Nil <b>Foreign Companies:</b> Nil
3.	Sukanti Kumar Das	Non-Executive Director	<b>Experience:</b> 37 years <b>Qualification:</b> Bachelor of Medicine and Bachelor of Surgery (MBBS)	<b>Indian Companies:</b> Nil <b>Foreign Companies:</b> Nil
4.	Amit Kumar Barnwal	Independent Director	<b>Experience:</b> 4 years <b>Qualification:</b> Bachelor of Commerce (Hons), Company Secretary	<b>Indian Companies:</b> 1. Shivam Iron & Steel Company Limited 2. BST Infratech Limited Limited <b>Foreign Companies:</b> Nil
5.	Rajkumari Sharma	Independent Director	<b>Experience:</b> 5 years <b>Qualification:</b> Company Secretary	<b>Indian Companies:</b> Nil <b>Foreign Companies:</b> Nil

## OBJECTS OF THE ISSUE

Details of means of finance: The fund requirements for each of the objects of the Issue are stated as follows:

(₹ In lakhs)

Sr. No.	Objects of the Issue	Total estimate cost	Amount deployed till	Amount to be financed from Net Proceeds	Estimated Net Proceeds Utilization
					Fiscal 2023-24
1	Part Funding of Capital Expenditure for Cancer Hospital at Ranguni, Jharkhand	7,446.57*	2,541.18	1,221.60	1,221.60
2	Acquiring Land on Leasehold basis for Health Management and Research Institute at Ranchi, Jharkhand	765.43	-	765.43	765.43
3	General corporate purpose <sup>(1)</sup>	[•]	Nil	[•]	[•]
	<b>Total Net Proceeds</b>	[•]	[•]	[•]	[•]

\*Out of Total estimated cost, ₹ 2,850 lakhs will be funded from Bank and ₹ 833.79 lakhs will be funded from internal accruals

<sup>(1)</sup> To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years. - NIL**

**Name of monitoring agency, if any – Not Applicable**

**Terms of Issuance of Convertible Security, if any - Not Applicable**

**Shareholding Pattern:**

Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter and Promoter Group	1,20,36,580	83.03%
2.	Public	24,60,720	16.97%
	<b>Total</b>	<b>1,44,97,300</b>	<b>100.00%</b>

**Number/ amount of equity shares proposed to be sold by selling shareholders, if any: – Not Applicable**

**RESTATED AUDITED FINANCIALS**

₹ in Lakhs except per share data

Particulars	2022-23	2021-22	2020-21
Total income from operations (Net)	7,303.26	6,619.54	5,439.90
Net Profit/ (Loss) before tax and extraordinary items	1,088.85	771.67	477.36
Net Profit/ (Loss) after tax and extraordinary items	801.53	572.84	353.43
Equity Share Capital	1,449.73	124.95	124.95
Reserves and Surplus	2,734.53	2,137.78	1,564.95
Net worth	4,184.26	2,262.73	1,689.90
Basic/diluted earnings per share (₹)	7.58	7.64	4.71
Return on net worth (%)	19.16%	25.32%	20.91%
Net asset value per share (A/C) (Face Value of ₹ 10 Each) (Based on Actual Number of Shares)	28.86	30.18	22.54
Net asset value per share (A/C) (Face Value of ₹ 10 Each) (Based on Weighted Average Number of Shares)	19.57	12.41	11.28

**INTERNAL RISK FACTORS**

**The below mentioned risks are top 5 risk factors as per the RHP:**

1. Our Company, Directors and Promoters are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, result of operations and financial conditions.
2. We do not hold, or may not be able to prove that we hold, good title to the leasehold land situated at Ranguni, Dhanbad on which our cancer hospital and educational institute building has been constructed.
3. We are highly dependent on our healthcare professionals, including doctors, nurses that we engage on a consultancy basis, and our business and financial results could be impacted if we are not able to attract and retain such healthcare professionals.
4. Our industry is highly regulated and requires us to obtain, renew and maintain statutory and regulatory permits, accreditations, licenses and comply with applicable safety, health, environmental, labour and other governmental regulations. Any regulatory changes or violations of such rules and regulations may adversely affect our business, financial condition and results of operations.
5. Our ability to provide affordable healthcare depends on the maintenance of a high volume of patients, occupancy rates, managing operating & project costs and effective capital management. Any increase in such costs could adversely affect our business, financial condition and results of operations.

**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

**A.** Total number of outstanding litigations against the company and amount involved:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved* (₹ in lakhs)
<b>Company</b>						
By the Company	1					Not ascertainable
Against the Company			11			292.34 (to the extent ascertainable)
<b>Directors &amp; Promoters</b>						
By our Directors & Promoters						
Against the Directors & Promoters	5*	14				5.24 *Not ascertainable

**B.** Brief details of top 5 material outstanding litigations against the company and amount involved: Nil

**C.** Regulatory Action, if any-disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: Nil

**D. Brief details of outstanding criminal proceedings against Promoters:**

***Raghunath Ram (Complainant) Vs. Nayan Prakash Singh (Respondent No-1), Harendra Singh (Respondent No-2), and Ganesh Singh (Respondent No-3):***

The Complainant (who is by case a schedule tribe), in the Instant Complaint has alleged that the accused persons have tried to illegally occupy the alleged land of the Complainant which is situated beside the Asarfi Hospital. It was also alleged that, the accused persons have threatened the complainant and his family members and used abusive languages against them.

***Raghunath Ram (Complainant) Vs. Harendra Singh (Respondent No-1), Ganesh Singh (Respondent No-2) and Nayan Prakash Singh (Respondent No-3).***

The Complainant (who is by case a schedule tribe), in the Instant Complaint has alleged that the accused persons have tried to illegally occupy the alleged land of the Complainant which is situated beside the Asarfi Hospital. It was also alleged that, the accused persons have threatened the complainant and his family members and used abusive languages against them.

***State of Jharkhand (Complainant) Vs. Harendra Singh (Respondent No-1), Ganesh Singh (Respondent No2), & Nayan Prakash Singh (Respondent No- 3)***

The petition was filed on 10/01/2022 before the Hon'ble Court. Petition copy has not been served.

***Vrindavan Pandey (Complainant) vs. Harendra Singh (Respondent No-1), Prabandh AK (Respondent No-1) & Swati Sinha (Respondent No-3).***

The Complainant has alleged that Respondent 1 and 2, along with their five or six employees, illegally pressurized and demanded money from the complainant's nephew and people related to the complainant.

***State of Jharkhand (Complainant) Vs. Sunil Singh, Ganesh Singh, Amrendra Singh, Harendra Singh, and Jai Prakash Singh (Accused).***

The Complainant has alleged that the accused has demanded ₹ 10,00,000 as extortion money from the Complainant and used weapons and threatened him.

*For further details of the outstanding litigation proceedings, see "Outstanding Litigation and Material Developments" on page 203 of the RHP*

**ANY OTHER IMPORTANT INFORMATION AS PER BRLM/ ISSUER COMPANY: NIL**

**DECLARATION BY THE COMPANY**

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Red Herring Prospectus are true and correct.

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