

**Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against QCIL, its promoters and directors:**

All material ongoing adjudication and recovery proceedings, prosecution initiated and all other material enforcement action taken, against QCIL, its promoters and directors have been disclosed below.

For QCIL, 'material' implies where the monetary amount of claim against QCIL in any such pending proceedings is in excess of the lowest of: (a) 2% of the turnover of QCIL as per the audited consolidated financial statements for FY 2024-25 (i.e., Rs. 79.25 Crores); or (b) 2% of the net worth of QCIL as per the audited consolidated financial statements for FY 2024-25 (i.e., Rs. 90.14 Crores); or (c) 5% of the average of the absolute value of the profit/loss after tax of QCIL as per the audited consolidated financial statements for the last three financial years i.e. FY 2024-25, FY 2023-24 and FY 2022-23 (i.e., INR 7.15 Crores). Accordingly, all outstanding litigation proceedings where the aggregate monetary claim made against the QCIL is equal to or in excess of **INR 7.15 Crores** have been disclosed.

Litigations or proceedings where a monetary liability is not quantifiable have been considered material if, in the opinion of the management of QCIL, they could be considered to have a material adverse effect on the financial position, business, operations, performance, prospects or reputation of the QCIL.

**Against QCIL:**

1. Telangana State Power Distribution Company Limited (**TSPDCL**) issued demand notices to 'Care Hospitals – Banjara Unit', and 'Care Hospitals – Nampally Unit' (hospital units of QCIL) for payment of wheeling charges for the period of FY 2002-03 to FY 2014-15, amounting to approximately INR 33.38 crores. QCIL filed writ petitions before the High Court of Telangana challenging the demand notices issued by TSPDCL and the demand raised. The petitions are pending adjudication.
2. TSPDCL issued notices to 'Care Hospitals – Banjara Unit' and 'Care Hospitals – Nampally Unit' (hospital units of QCIL) for payment of cross subsidy surcharge for FY 2005-06 to FY 2015-16 amounting to approximately INR 11.57 crores. QCIL filed writ petitions before the High Court of Telangana challenging the notices issued by TSPDCL and the demand raised. The petitions are awaiting listing.
3. Kailash Diagnostic Services (**Claimant**) leased premises to QCIL under a memorandum of understanding/lease agreement dated September 1, 2008 (**MoU**), allowing QCIL to use the premises for hospital-related services until December 31, 2023. In 2014, QCIL demolished an operation theatre within the leased premises, converting the space into a canteen, following which the Claimant filed a suit before the civil court alleging breach of the MoU. During the pendency of these proceedings, the parties entered into a compromise decree requiring QCIL to reconstruct the operation theatre at least three months prior to the expiry of the lease period. However, QCIL prematurely terminated the MoU without reconstruction. The Claimant invoked the arbitration under the MoU seeking (i) damages, (ii) monthly rent from April 2022 to December 2023, and (iii) electricity charges, aggregating to INR 9,50,00,000/- (Indian Rupees nine crore fifty lakh). Concurrently, a civil suit seeking identical relief for the same breach has been filed by the Claimant before the City Civil Court, Hyderabad. Separately, the Claimant has also filed contempt proceedings before the High

For Quality Care India Limited

  
Company Secretary

QUALITY CARE INDIA LIMITED

CIN: U85110TG1992PLC014728

evercare group

**CARE HOSPITALS**

Banjara Hills: 6-3-248/2, Road No.1, Hyderabad - 500034, Telangana, T: (040)-61656565, F: (040)-30418488

Banjara Hills - CARE Outpatient Centre: Road No 10, Hyderabad - 500034, Telangana, T: (040)-61656565, F: (040)-3931 0140

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Court of Telangana alleging non-compliance of the compromise decree by QCIL. Mr. Vishal Bali, non-executive director of QCIL has also been impleaded as a defendant in these proceedings. The arbitration, civil and contempt proceedings are currently pending.

4. For FY 2004-05 to FY 2015-16, the commercial tax officer has demanded QCIL to pay luxury tax under the Luxury Tax Act, 1987 on the accommodation facilities provided by it in its hospitals. The total disputed demand pursuant to this is approximately INR 11.72 crores. QCIL has filed multiple appeals in relation to the same, and the demand is currently pending for hearing before the High Court / Telangana VAT Appellate tribunal.

5. Other tax proceedings:

QCIL has ongoing proceedings under the Income-tax Act, 1961, Service Tax Act, 1994, Central Goods and Services Tax Act, 2017, Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employees' State Insurance (ESI) Act, 1948 and Expenditure-tax Act, 1987 all of which arise in the ordinary course of business and are not expected to have any material impact on QCIL.

*Against promoters and directors of QCIL:*

There are no ongoing adjudication proceedings, litigations, recovery proceedings, prosecutions, etc. initiated against: (a) promoter of QCIL (i.e. BCP Asia II Topco IV Pte. Ltd.); and (b) directors of QCIL, acting in the capacity of a director, except otherwise stated above.

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