Somerset Indus
Capital Partners

IMPACT & SUSTAINABILITY REPORT

FY 2024-25

CAPITAL
FOR
CHANGE

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Managing Partner's Message

"Capital is not just financial fuel, but a catalyst for inclusion, innovation, and impact."

A New Era: Capital for Change

It gives me immense pride to present Somerset's 2025 Impact and ESG Report, a milestone that marks not just continuity, but evolution. With the launch of Fund III, we enter a new era defined by our philosophy of Capital for Change: deploying growth equity to transform healthcare access in India's underserved markets while delivering sustainable value to our investors. Somerset has always believed that capital is not just financial fuel, but a catalyst for inclusion, innovation, and impact. Fund III deepens this conviction, with sharper focus on scale, integration, and embedding climate-health resilience, gender equity, and digital innovation into every investment decision. We are scaling our ambition to serve India's "missing middle," the millions in Tier II and Tier III towns at the periphery of quality healthcare.

This year, we have initiated DALY and GHG calculations, further aligning outcomes and strengthening our impact framework to ensure investments are measured not just by returns, but by tangible social and environmental impact.

Our track record shows how purposeful investments can deliver both strong returns and transformative outcomes. With sharper frameworks, stronger ESG guardrails, and deeper partnerships, we are positioned to accelerate impact at scale. Fund III is not just an evolution for Somerset—it affirms our role in shaping the future of healthcare in India. We invite you to explore this report, which reflects our values, progress, and aspirations as an impact-aligned investment platform for the new decade.

Mayur Sirdesai
Founder & Managing Partner

"The opportunity ahead is both significant and urgent: improving access, affordability, and quality of healthcare for India's vast underserved population."

Evolving with Purpose

When we started Somerset in 2011, our conviction was clear: the real investment opportunities in Indian healthcare lay beyond the metros. Over the years, that thesis has proven itself repeatedly, in diagnostics, in affordable hospitals, in technology-enabled models of care. These investments have shown us that impact and returns need not be at odds; in fact, they are strongest when aligned. With Fund III, we are building on this foundation. What sets this phase apart is our intent to go deeper, expanding geographic reach, scaling proven models, and embedding ESG and climate-health considerations into every growth story. The opportunity ahead is both significant and urgent: improving access, affordability, and quality of healthcare for India's vast underserved population.

What was once an emerging thesis is now a proven reality, supported by policy enablers like Ayushman Bharat and accelerated by rapid adoption of technology across healthcare delivery models. This stage of our journey is less about reinvention and more about deepening what works - scaling affordable care, investing in resilient life sciences businesses, supporting entrepreneurs who can balance mission with margin, and embedding ESG discipline into every step of growth. Fund III represents an evolutionary stage for Somerset- where lessons from the past meet the opportunities of the future. It is a chance to reaffirm our role as patient, purposeful capital, solving for India's healthcare challenges while creating sustainable value for all stakeholders. This report will take you inside the strategies, stories, and systems that make Fund III a catalyst for the next decade of healthcare transformation in India.

Avinash Kenkare
Founder & Managing Partner

Impact & ESG at a Glance[1]

Throughout FY 2024-25, we witnessed notable enhancements in the execution of our ESG and impact-related initiatives across our portfolio partners.

Total lives impacted directly and indirectly

105 M²

Enabling healthcare delivery infrastructure with

40
Hospitals

4.5k
Beds

4.6k
Healthcare Professionals

5k
Diagnostic Facilities

For serving over

21 M³
Patients Directly

82%
From Tier 2 & Tier 3 Cities

47%
Women Patients

29%
Ayushman Bharat Patients

Averting **22k**
DALY's for AMI Patients

Supporting availability & functionality of medical devices by serving

24k
Healthcare Facilities

69%
From Tier 2 / Tier 3 cities

92%
Aspirational Districts Covered

With **992**
New devices

Servicing **0.9M**
Old Devices

Supporting availability & accessibility of medicines

390
Pharmaceutical Customers

89%
From Tier 2/ Tier 3 cities

72
WHO-Prequalified Products

110.3 MT
APIs

Managing Emission Intensity

Scope 1 emission intensity
10
tCO2e / USD M

Scope 2 emission intensity
71
tCO2e / USD M

Rooftop Solar Installed Capacity
705 KW

Managing Water Consumption and Waste Generation Intensity

Water consumption intensity
2,443
KL/USD M

Waste generation intensity
7.4
MT / USD M

Creating Jobs & Promoting Inclusivity & Safety

10k
Direct & Indirect Jobs

54%
Women Employees

22 M⁴
Cumulative safe man hours

[1] Please refer to the subsequent Impact and ESG sections for related limitations and contextual nuances associated with these figures

[2] The "lives touched" figure includes LMIC pharma customers and is not limited to lives impacted in India. Excluding Cyrix and Printmann; Calculated using company data, secondary sources and guesstimates, please refer to annexure for further information.
[3] Patient volume data (19.2 million) for Krsnaa Diagnostics in FY25 has been sourced from the company's Annual Report 2024.
[4] Data limited to fund II companies.

About Somerset

Somerset Indus Capital Partners ("Somerset") is a healthcare-focused private equity firm founded in 2011 by Avinash Kenkare and Mayur Sirdesai, later joined by partners Ramesh Kannan and Sharad Ladha. With deep expertise in healthcare and private equity, Somerset is guided by the theme of **"Access to Affordable Quality Healthcare"**, with a particular focus on underserved tier II and tier III geographies in India. Over the past decade, the firm has launched three funds, investing across hospitals, pharmaceuticals, diagnostics, medical technology, wellness, and healthcare financing. Its portfolio companies are closely aligned with government-backed insurance programs such as Ayushman Bharat, enabling healthcare access for the mass Indian market. Somerset has built a strong track record of backing growth-oriented Indian healthcare companies with the potential to scale and deliver lasting impact.

Vision

"To become the leading strategic, operational, and financial partner in India's healthcare sector, enabling growth at scale in underserved tier II and tier III markets."

Mission

"To partner with healthcare entrepreneurs across India's tier II and tier III markets, providing strategic capital and operational expertise to increase healthcare availability, accessibility, and affordability while delivering quality care to both underserved and privileged populations, leveraging technology as a catalyst for sustainable healthcare transformation."

Key Differentiators

- A team of investment professionals having extensive knowledge, relationships with domestic players, access to and experience dealing with global participants that can bring new technologies and provide access to new markets
- Active handholding as first institutional investors
- Extensive fund engagement with portfolio companies in areas of portfolio expansion, mergers and acquisitions, corporate governance, talent acquisition, introducing ESG practices, Impact measurement and strategy and operational aspects
- Active involvement of external networks to add value to portfolio companies
- Strong focus on ESG and sustainable impact investing across the investment cycle
- Capturing the strong deal flow opportunities of the SME space especially in the recession resistant healthcare sector in India

Fund Overview[5]

Year Founded	Partner's Cumulative Experience	Total AUM	Total no. of Funds	Companies Funded
2011	100+ Years	$453 M	3	Total: 15 Active: 8

Sectors of Investment: Healthcare Delivery, Diagnostics, MedTech, Pharma, Nutrition

Impact Themes: Accessibility, Affordability, Quality, Innovation, Job Creation

SDGs Served: Primary SDGs 3, 9, 17 — Secondary SDGs 8, 5, 12, 13

Aum by Sectors

Healthcare delivery	Diagnostics	MedTech	Pharma	Nutrition
21%	24%	17%	34%	3%

Total No. Of Portfolio Companies by Fund

- Fund I: **7** (Exited 6)
- Fund II: **7** (1 Exit in Sep 2025)
- Fund III: **2**

Total No. of Portfolio Companies by Sectors

- Healthcare Delivery: **4** (Exited 3)
- Diagnostics: **1** (Exited 1)
- MedTech: **5** (Exited 2)
- Pharma: **4**
- Nutrition: **1** (Exited 1)

[5] All data as of March 2025

Gross MOIC by Fund (in USD)		Gross MOIC by Sectors (In USD)	
Fund I:	**3.64x**	Healthcare delivery:	**2.31x**
Fund II:	**1.57x**	Diagnostics:	**10.34x**
Fund III:	**1.07x**	MedTech:	**1.09x**
		Pharma:	**1.63x**
		Nutrition:	**1.75x**

*Kindly note that all the data is as of 31st March 2025

Affiliations

Somerset Indus Capital Partners is a member of the Global Impact Investing Network (GIIN), the world's leading nonprofit dedicated to increasing the scale and effectiveness of impact investing. GIIN membership reflects Somerset's commitment to advancing global standards, adopting rigorous impact measurement frameworks, and deepening engagement with a diverse network of impact investors worldwide. Our membership signifies a shared commitment to generating positive, measurable social and environmental outcomes alongside strong financial returns

Somerset Indus Capital Partners is an active member of the Indian Venture and Alternate Capital Association (IVCA), India's apex industry body for private equity and venture capital. Through this platform, Somerset engages with peers, policymakers, and ecosystem partners to advance investment best practices, foster regulatory dialogue, and support the growth of responsible capital in India's healthcare sector and beyond.

Somerset is also a member of the Impact Investors Council (IIC), a leading industry body dedicated to strengthening India's impact investing ecosystem. By contributing to working groups, participating in industry consultations, and engaging in sector-wide dialogues, Somerset helps shape policy discussions and market development efforts aimed at channeling greater volumes of capital toward inclusive growth and measurable social impact.

Investment Strategy & Sectoral Focus

The Problem

Strengthening Healthcare in Tier II & Tier III Cities: Despite rapid growth in India's healthcare market, access remains highly uneven. Tier II and Tier III cities face critical shortages of hospital infrastructure, skilled professionals, and diagnostic services, with hospital bed density at just 3 per 1,000 population, less than half the global average, and an additional 2.4 million beds needed over the next 15 years[6]. Compounding this gap, 400 million Indians, the "missing middle", lack health insurance[7] , falling between the public safety net and premium private care. Too affluent to rely on government schemes yet unable to afford high-end urban services, this population represents a critical opportunity to expand tertiary care, specialty treatments, and preventive healthcare. Without targeted investment, these regions will continue to lag in tertiary care, specialty treatments, and preventive healthcare, exacerbating health inequities.

Somerset's Solution

Step 1

Expanding Healthcare Delivery Through Hospitals

To bridge this gap, investments in multi-specialty hospitals in Tier II and Tier III cities are crucial. Hospitals provide the core infrastructure and care ecosystem, offering both primary and advanced tertiary care services. By establishing well-equipped facilities, Somerset directly increases healthcare access, improves patient outcomes, and creates a foundation for integrated health services in underserved regions.

Step 2

Enhancing Care Through Diagnostics

Hospitals alone are not sufficient; timely and accurate diagnostics are essential for effective treatment. By investing in diagnostic networks that serve hospitals and directly reach patients in Tier II/III cities, Somerset improves disease detection, reduces hospital burden, and enables better clinical decision-making.

Step 3

Supporting Hospitals with Pharmaceuticals & Biotechnology

Reliable access to medicines and specialty therapies is critical to keep hospitals and diagnostics functional. India's pharmaceutical market, valued at USD 41 billion, is expected to reach USD 130 billion by 2030[8], yet it still imports 80% of its API requirements from China[9]. Investments in domestic API and specialty drug production, along with biotechnology innovation, can ensure consistent supply of essential medicines, strengthen local health systems, and reduce supply chain vulnerabilities.

Step 4

Equipping Hospitals with Medical Devices & Technology

Finally, hospitals and diagnostics require modern medical devices, equipment, and technology to operate effectively. India's medical devices market is expected to grow from USD 11 billion to USD 50 billion by 2030, with a CAGR of up to 20%[10]. By supporting hospitals with cutting-edge devices and MedTech devices and device servicing, Somerset ensures high-quality, efficient, and scalable care delivery across Tier II and Tier III cities.

By investing across this end-to-end healthcare ecosystem, Somerset creates resilient, high-quality healthcare infrastructure, reducing urban-rural disparities, and unlocking significant social and economic impact.

[6] Source: https://economictimes.indiatimes.com/news/india/india-needs-additional-2-4-million-hospital-beds-to-reach-recommended-ratio-report/articleshow/105450555.cms
[7] Source: https://timesofindia.indiatimes.com/city/kolkata/gst-exemption-will-boost-health-insurance-nic-boss/articleshow/123534009.cms
[8] Source: https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/domestic-pharmaceutical-market-to-reach-130-bn-by-2030-eco-survey/articleshow/97488385.cms?from=mdr&
[9] Source: https://timesofindia.indiatimes.com/business/india-business/china-supplies-over-80-of-pharma-raw-materials/articleshow/76453541.cms
[10] Source: https://www.cnbctv18.com/india/healthcare/indian-medical-device-industry-dollar-50-billion-by-2030-dollar-250-billion-by-2047-19429190.htm

Overview of Somerset's Portfolio Companies

Sector	Company	Overview	Current / Exited
Healthcare Delivery	Sterling Hospitals	One of Gujarat's largest tertiary care multi-specialty hospital chain, operating 6 hospitals with a strong focus on Oncology and Cardiac care, backed by over 20+ years of operations.	Current
	Apex Hospitals	Apex Hospitals is a leading NABH & NABL accredited tertiary care group in Rajasthan, delivering advanced multi-specialty care across tier 2 and 3 cities with strong expertise in critical care, cardiology, and complex surgeries.	Exited (In Sep 2025)
	Ujala Cygnus	Ujala Cygnus is a leading multi-specialty healthcare provider in North India operating ~20 hospitals offering advanced care in specialties such as cardiology, orthopedics, neurology, and oncology.	Exited
Diagnostics	Krsnaa Diagnostics	Krsnaa Diagnostics is one of India's largest diagnostic service providers, specializing in radiology, pathology, teleradiology, and tele-reporting. It partners with government and private entities to enhance healthcare accessibility through the PPP model	Exited
MedTech	GE HealthCare NEXT GenWorks	An initiative of GE Healthcare. It is a digitally powered largest pan India MedTech distribution platform offering products, services; solutions in areas of Maternal; Newborn Care; Imaging; Cardiology; OT; Critical Care; Oncology; IVD.	Current
	Cyrix Healthcare	Cyrix Healthcare is a leading provider of medical equipment services in India, specializing in multi-vendor maintenance, calibration, and biomedical training, Cyrix partners with both government and private entities to enhance healthcare infrastructure	Current
	Browndove	A manufacturer and distributor of renal care consumables.	Current
Pharma	Natural Biogenex Pvt Ltd	A wholly owned subsidiary of Natural Capsules Limited, foraying into the API Business. Natural Biogenex is engaged in the manufacturing of complex bulk drugs, with a high-end, patented technology.	Current
	EMIL	EMIL A Pharmaceutical CDMO involved in the manufacturing and marketing of pharmaceutical, nutraceutical and OTC formulations since 1989. The company has also built-up technical know-how of over 200 products in 30 plus therapy areas across 20 plus international markets.	Current
	Globela Pharma Pvt. Ltd.	Globela A Surat-based CDMO player offering formulations across multiple therapeutic areas (TAs) including oncology, anti-infectives, gastro, CVS, etc. Operates in 32 countries and four major regions across the world.	Current
	Printmann	Printmann is a pharma focused sustainable packaging player providing primarily paper-based packaging. Its product portfolio includes Cartons, Leaflets, Labels, and Foils. It is the only player to have a presence across all four categories.	Current

*Kindly note that the other exited companies: Sandor Medicaids, Express Clinics, Prognosys Medical Systems and Hexagon Nutrition are currently not included in the scope of this report

Approach to Impact & ESG at Somerset

Impact Philosophy

Impact Goal Somerset aims to provide Access to Affordable and Quality Healthcare

Somerset's Theory of Change[11]

Somerset's goal is to expand access to high-quality, affordable healthcare for underserved populations while driving sustainable enterprise growth. Investments in hospitals, pharmaceuticals, diagnostics, medical devices, insurance, and health-tech generate outputs such as expanded services in Tier II and III cities, scaled affordable medicines, broader access to diagnostics, cost-effective equipment, micro-health insurance, and digital care platforms. These outputs lead to outcomes that improve accessibility, affordability, and quality of care, foster localized innovation, and create meaningful employment with enhanced women's inclusion. Together, these outcomes deliver systemic impact, advancing SDG 3 and SDG 8, and illustrate Somerset's clear pathway from investment to transformative healthcare change.

Somerset's Theory of Change[11]

Context

Challenges and Stakeholders

What is the Challenge:
Lack of accessible, affordable and quality healthcare

Where is the Challenge:
Indian Tier II and III cities

Stakeholders:
Patients/Customers/Users, Government, Investors, Hospitals, Companies (Digital Health, Medical equipment Pharma, Insurance)

Entry Points And Interventions

Healthcare Delivery	Pharmaceuticals	Diagnostics	Medical Devices	Insurance / Financing	Health-tech
Increase access with investments in hospital infrastructure in Tier II and Tier III cities	Specialty drugs innovation and investments in scaling domestic manufacturing	Increasing demand for accurate rapid testing solutions	Growth potential with govt. support and low-cost efficient manufacturing	Market penetration with affordable inovative models like micro-health insurance and digital financing	Bridge healthcare delivery with investments in digital health and teleconsultation services

Inputs

- USD 250 Mn capital
- Strategic industry guidance
- Deployed into 7 to 8 small and mid-sized healthcare companies for innovative, affordable, and scalable solutions in key healthcare sectors

Outputs

Healthcare Delivery	• Patients Served • No. of aspirational districts • Specialties added
Pharmaceuticals	• No. of Patients (women, underserved populations) • No.of products developed/ certified/launched
Diagnostics	• Lab tests conducted • Accuracy of tests conducted
Medical Devices	• Medical equipment that was previously unavailable • Sales to nursing homes and small hospitals
Insurance / Financing	• Premium from low-income insurance products • Villages and districts served
Health-tech	• No. of customers/users • Product traceability tech

Outcome

Accessibility	• Access in unpenetrated areas • Access for vulnerable groups • Treatment for priority conditions
Affordability	• Affordable healthcare products • Reduced OOP patient spending
Quality	• Improvement in Quality of Life • Client/Patient satisfaction rate
Innovation	• Innovative and affordable local healthcare products and digital solutions
Job Creation	• Increase in local employment opportunities in rural areas, for women and low-income groups

Impact

1. Increased healthcare access for underserved communities
2. Promotion of healthcare innovations and infrastructure
3. Expansion of India's manufacturing potential and export potential

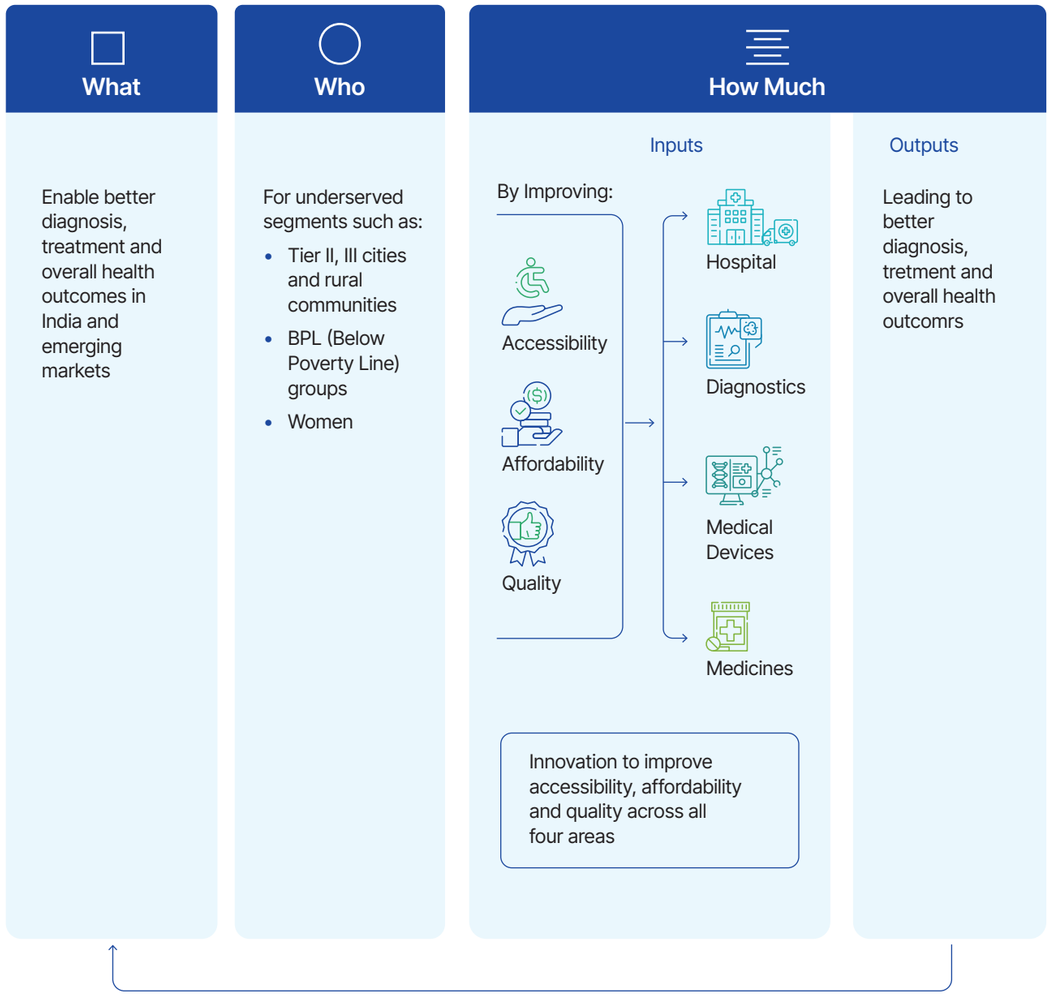
☑ Measurable progress towards UN SDG 3, Good Health and Wellbeing

[11] Please note that this Theory of Change applies to Fund III investments, with a detailed version under development for FY 2025–26. For the purposes of this report, medical devices and health-tech have been classified together as the MedTech sector (consistent with Fund I and II mandates). No investments were made in insurance or healthcare financing during the reporting period.

Somerset's Impact Framework

Aligned to this theory of change, the Impact Framework for reporting is structured around IMP's three dimensions—What, Who, and How Much. The What is defined as enabling improved diagnosis, treatment, and overall health outcomes in India and other emerging markets, while the Who refers to underserved populations, including Tier II and III cities, rural communities, below-poverty-line households, and women.

The How Much reflects both scale and depth of impact: strengthening the accessibility, affordability and quality of hospitals, diagnostics, medical devices, and medicines as critical healthcare inputs; while continuously innovating to further enhance their impact; and translating these improvements into outputs such as patients treated, diagnostic tests conducted, devices deployed, and medicines dispensed—ultimately delivering on the overarching goal of better health outcomes.



ESG Philosophy

Somerset views Environmental, Social, and Governance (ESG) responsibility as fundamental to creating long-term value and measurable impact across our portfolio. The philosophy is built on advancing sustainable growth while improving health outcomes and economic opportunity in the communities their portfolio companies serve.

Key ESG Focus Areas

Environment

GHG Emissions
Somerset supports portfolio companies in measuring, reducing, and mitigating their carbon footprint

Waste Management
Somerset prioritizes resource efficiency and circular economy practices, encouraging companies to minimize waste generation, improve segregation, and adopt safe and sustainable disposal methods.

Water & Wastewater Management
Recognizing the water-stressed environments in which it operates, Somerset promotes efficient water use, recycling, and safe wastewater treatment to safeguard community and ecological well-being.

Social

Job Creation
Somerset fosters inclusive economic growth by enabling enterprises to generate both direct and indirect employment opportunities, particularly in underserved regions.

Women's Inclusion
Somerset encourages gender diversity and women's participation across the workforce, leadership, and supply chains, ensuring equitable access to opportunities

Health & Safety
Somerset promotes a zero-tolerance approach to unsafe practices, embedding strong occupational health and safety standards across portfolio companies to safeguard employees, patients, and communities.

Governance

Ethics & Compliance
Somerset upholds the highest standards of governance, ethics, and compliance, ensuring transparency, accountability, and integrity in business practices.

Oversight
The firm engages with portfolio companies to strengthen board oversight, data-driven decision-making, and adherence to both local regulations and international best practices.

Through this integrated ESG philosophy, Somerset enables businesses that not only deliver strong financial performance but also contribute to climate resilience, social equity, and trusted governance systems.

Integration of Impact & ESG in Investment Lifecycle

Somerset integrates the Impact and ESG philosophies across the investment lifecycle to ensure that capital deployed not only generates strong financial returns but also measurable benefits for underserved communities. ESG principles underpin long-term sustainability, effective risk management, and robust governance, while the Impact principles focus on enhancing accessibility, affordability, quality, innovation, and job creation within healthcare delivery. By embedding these dual lenses from deal origination through to exit, Somerset ensures that its investments contribute to measurable improved health outcomes, equitable economic opportunities, and resilient business practices, thereby aligning financial performance with enduring societal value.

	Deal Identification	Due Diligence	Deal Execution & Agreement	Investment Monitoring	Investment Exit
ESG Integration	• Apply exclusion list • Conduct preliminary E&S screening	• Conduct ESG due diligence • Develop Environmental & Social Action Plan (ESAP)	• Integrate ESG covenants in Investment/ Shareholder Agreements • Confirm CPs/CSs • Formalize ESAP adoption	• Monthly ESAP status checks • Quarterly ESG data reporting • Incident management protocols for governance, safety, compliance	• Assess cumulative ESG performance • Document ESG value creation
Impact Integration	• Assess accessibility, affordability, and quality of services • Evaluate scalability, reach, and specialty care • Review revenue streams and government program linkages • Assess certifications, infrastructure, and governance	• Baseline impact assessment concurrent with legal/financial DD • Identify gaps in data or practices • Develop impact-oriented action plan and set target	• Embed impact covenants into SHA • Attach quarterly/annual reporting templates • Establish portfolio-level impact targets	• Track progress against impact action plan • Monitor affordability, patient reach, workforce diversity, accreditation • Implement 100-Day Plan post-investment to set priorities and link to funding tranches	• Conduct final impact analysis • Measure long-term improvements in accessibility, affordability, quality, innovation, job creation • Capture lessons for future funds
Impact Tools	Tool 1 – Impact Screening • Red flags: disqualify deals with critical issues • Amber flags: raise ethical/ quality risks needing IC review • Green list: score impact potential from “light” to “dark” green	Tool 2 – Impact Baseline & Assessment • Evaluates accessibility, affordability, quality, scalability, governance • Sets baseline status and gaps • Defines action plan with measurable impact targets	Tool 3 – Covenants & Reporting Templates • Covenants to ensure accountability • Standard templates for regular impact reporting • Targets aligned at portfolio and fund level	Tool 3 (continued) • Reporting templates drive structured monitoring • Early capture of risks/ non-conformances • Alignment with fund-level targets over 5–10 years	

Key guidelines and frameworks considered

Impact Guidelines/Frameworks Considered in Investment Cycle

Sustainability Development Goals

International Labour Organisation

Global Reporting Initiative

Sustainability Accounting Standards Board

GIIN's IRIS+

Operating Principles for Impact Management

International Finance Corporation – Performance Standards

United Nation's Principles for Responsible Investment

ESG Guidelines/Frameworks Considered in Investment Cycle

Sustainability Development Goals

Responsible Investment Standards

Principles for Responsible Financing

Impact at Somerset

Key Impact Highlights

Somerset has played a pivotal role in enhancing healthcare accessibility and quality across underserved regions. Its interventions have strengthened healthcare delivery systems, expanded diagnostic infrastructure, ensured the functionality and availability of critical medical devices, and improved access to essential medicines and APIs, thereby supporting healthcare providers and facilitating equitable care for vulnerable populations, contributing to improved health outcomes in India.

	Healthcare Delivery	Diagnostics	MedTech	Pharma
What	Improve healthcare delivery in underserved areas	Improve diagnosis in underserved areas	Improve availability and functionality of medical devices in underserved areas	Improve accessibility of medicines and APIs in underserved areas
Who	• Patients	• Patients • Hospitals	• Hospitals • Clinics • Diagnostic Centers • Nursing Homes	• Pharmaceutical Companies • Healthcare Providers • Government Stakeholders
How Much – Accessibility	**Serving Vulnerable Patients** • **1.7 M** Patients • **70%** new patients • **85%** from Tier 2 / Tier 3 cities • **47%** women patients • **19%** patients of 65+ age group	**Serving Vulnerable Patients** • **19.2 M** patients served • Presence in **18+** states and UTs • Present in **150+** districts	**Serving Vulnerable Healthcare Facilities** • **24,252** healthcarefacilities served • **69%** in Tier 2 and Tier 3 Cities • **56%** of government and public facilities	**Serving Pharma Customers** • **390** customers served including pharma distributors, healthcare providers, govts • **89%** customers from Tier 2 / Tier 3 cities
	Enabling Healthcare Infrastructure • **40** hospitals • **4503** Bed Capacity • **4580** medical professionals • **31** Ambulances	**Enhancing Diagnostics Infrastructure** • **5,298** total centers • **66%** pathology centers • **28%** tele reporting centers	**Enhancing Medical Devices** • **992** new devices sold • **0.9 M** devices serviced[12]	**Enhancing Availability of Medicines** • **1,157** types of medicines sold[13] • **110.3 MT** of APIs sold
	Focusing on Critical Care • **7%** ICU patients served • **3%** heart patients served • **1%** cancer patients served	**Focusing on Specialty Diagnostics** • **180** advanced radiology centers (CT/MRI)	**Focusing on Specialty Medical Devices** • **1700** women's health devices serviced • **5.5 M** dialysis consumables sold	**Focusing on Critical Care** • **72** WHO Prequalified products Sold • **USD 13.5 M** revenue from cardiac medicines and antibiotics
Affordability	**Enabling Cost Savings through Government and Insurance Schemes** • **29%** Ayushman Bharat Patients served • **5%** Insurance / TPA Patients Served • **48%** of revenue enabled through Ayushman Bharat Schemes • **18%** of revenue enabled through third party and insurance schemes	**Enabling Cost Savings through PPP** • Presence in **67%** of NHM's free diagnostics states for providing pathology services[14] • Presence in **63%** of NHM's free diagnostics states for providing radiology services[15]	**Enabling Cost Savings through Refurbished and Leased Devices** • CAPEX savings **USD 0.32 M**	**Enabling Cost Savings through Generic & Essential medicines** • **0.5 M** revenue from generic, essential and public health medicines
Quality	**Enabling Quality Through Accreditation and Internal Audits** • **34** Hospitals NABH Certified • **93 %** of hospitals have an internal audit of medical practices for govt schemes	**Enabling Quality Through Accreditation** • **44%** of NABL-accredited labs • **17%** of NABH-accredited radiology centers	**Enabling Quality through Certifications** • **100%** OEM-compliant CDSCO certified and WHO GMP-certified products	**Enabling Quality through Certifications** • **100%** FDA, WHO GMP, EU GMP, CDSCO, certified products
	Ensuring Patient Satisfaction • Average PSAT Score **83** • **6%** of patients joined via referrals		**Ensuring Customer Satisfaction** • **90%** customer satisfaction score	
Innovation	**Investing in Digital Technology** • **USD 2 M** invested in digital technology	**Enabling Tele-Radiology** • Enabled **24×7** remote interpretation of 8-9 million images/year	**Innovating in Product Pipeline and Investing in Digital Technology** • **4** new products launched • **USD 0.23 M** Investment in digital technology	**Innovating in Product Pipeline and Investing in R&D** • **5** new products launched • **USD 409k** Investment in R&D

Improved Health Outcomes:
22,474 DALYs Averted for AMI Patients

[12] Based on data provided by Cyrix, and includes breakdown calls, PM, calibrations, etc., | [13] Cumulative across 3 companies, there might be overlap | [14] As per National Health Mission's Free Diagnostic Initiative (As of 2024) - Free diagnostics for pathology services is provided in 12 states and Krsnaa has presence in 8 states | [15] As per National Health Mission's Free Diagnostic Initiative (As of 2024) - Free diagnostics for radiology services is provided in 19 states and Krsnaa has presence in 12 states

Deep Dive - Healthcare Delivery

Status of Healthcare Delivery Sector

Hospital Bed Shortage

India needs an additional 2.4 million hospital beds to meet the recommended ratio of 3 beds per 1,000 people[16]

Regional Disparities

Tier II and Tier III cities such as Ahmedabad, Vadodara, Rajkot, Gandhidham, Varanasi, Jaipur, and other smaller cities in Rajasthan and North India have limited access to hospital infrastructure. Somerset's partner hospitals are present in these cities, directly addressing these regional gaps

Urban-Rural Divide

Smaller cities and semi-urban regions face critical gaps in tertiary care, specialty treatments, and emergency services

Key Challenges Facing the Sector

Infrastructure Gaps

Limited hospital beds and outdated facilities restrict access to quality care

Specialist Shortages

India faces a shortage of cardiologists, oncologists, orthopedic surgeons, pediatricians, and IVF specialists, which are critical for improving health outcomes. Somerset's partner hospitals specifically provide these specialties in underserved cities

Financial Constraints

High capital costs deter private investments in underserved regions

Operational Inefficiencies

Outdated equipment and fragmented services reduce care effectiveness

[16] Source: https://economictimes.indiatimes.com/news/india/india-needs-additional-2-4-million-hospital-beds-to-reach-recommended-ratio-report/ articleshow/105450555.cms

Somerset's Strategic Investments: Apex, Sterling, and Ujala Cygnus Solving the Gap

	Apex Hospitals	Sterling Hospitals	Ujala Cygnus
Presence	Operates 6 facilities across Rajasthan in key Tier 2 cities including Jaipur, Udaipur and Bikaner and Tier 3 cities including Jhunjhunu, Sawai Madhopur and Sri Ganganagar.	Multi-specialty network of 6 hospitals in Ahmedabad, Vadodara, Rajkot, and Gandhidham, key Tier II and Tier III cities in Gujarat.	Largest NABH-certified hospital chain in North India, with 28 hospitals across 19 underserved cities, focusing on Tier II and Tier III markets.
Beds / Infra	Combined bed capacity of 725 beds.	Combined bed capacity of 978 beds.	Combined bed capacity of 2800 beds.
Specialized Care	Provides cardiology, oncology, and IVF treatments, directly tackling shortages in these critical specialties.	NABH-accredited facilities provide cardiology, neurology, orthopedics, and pediatrics, reducing specialist shortages in these regions.	Offers emergency care, orthopedics, pediatrics, cardiology, and general surgery, meeting diverse healthcare needs and bridging specialty gaps.
Operational Efficiency	Affordable care models increase access for lower-income populations, addressing financial constraints.	Mobile diagnostics and modern systems improve service delivery and reduce operational inefficiencies.	Proven replication of high-quality hospital models ensures efficiency and consistent care standards.

Accessibility

Somerset's hospitals bridge healthcare gaps in Tier 2 and Tier 3 cities, bringing essential services to underserved and high-need populations, including women, older adults, and new patients. With a focus on critical care, covering ICU, cardiac, and oncology service, they ensure timely, life-saving interventions for those with the most urgent and complex health needs.

Expanding Healthcare Infrastructure in Tier 2 & Tier 3 Cities

Somerset's portfolio companies have strategically developed hospitals, beds, and ambulance services across Tier 2 and Tier 3 cities, creating enabling infrastructure that brings high-quality care closer to communities that previously had limited access.

Total no. of Hospitals

40

83%
in Tier 2 & Tier 3 Cities

Bed Capacity

4,503

82%
in Tier 2 & Tier 3 Cities

22%
ICU Bed capacity

No. of Ambulances

31

90%
in Tier 2 & Tier 3 Cities

No. of Medical Professionals Enabled

4580

40%
in Tier 2 & Tier 3 Cities

Total no. of patients served

1.7 M

82%[17]
in Tier 2 & Tier 3 Cities

[17] Average of 11 units for Ujala

Targeting High-Risk and Underserved Populations

The healthcare delivery portfolio prioritizes vulnerable populations, including women, new patients, as well as older adults with elevated healthcare needs. By focusing on these groups, Somerset ensures that healthcare reaches those who are often underserved or face barriers to access.

Total No. of Patients Served

1.7 M

47%
Women
(79k women patients)

70%
of new patients[18]

19%
older adults (65+ years)[19]

Providing Critical Care to Meet Complex Health Needs

Somerset delivers advanced critical care services for high-risk patients, including interventions in intensive care units, cardiac treatment, and oncology. This targeted approach ensures that patients with the most urgent and complex health needs receive timely, life-saving care.

Total number of patients served through OPD and IPD

1.7 M

Critical Care
7% of ICU Patients on an average[20]
3% of Heart Ailment Patients
1% of Cancer Patients[21]

[18] Not considering Ujala
[19] Average of 14 units for Ujala
[20] Average of 10 units for Ujala
[21] Average of 14 units for Ujala

Case Study

"Expanding Critical Care Reach Through Technology: Apex Hospitals' E-ICU and Telemedicine Solutions"

Apex Hospitals enhances critical care accessibility through its advanced E-ICU and telemedicine services, effectively bridging healthcare gaps in underserved regions. Their E-ICU system, known as "Critical Care Hope," utilizes remote monitoring to provide continuous oversight by intensivists and critical care nurses, ensuring timely interventions for critically ill patients. Additionally, Apex's telemedicine platform facilitates virtual consultations, extending specialized care to patients in remote areas. This integrated approach not only improves patient outcomes but also ensures that high-quality critical care is accessible to those in need, regardless of their location.

Additionally, Apex's telemedicine platform facilitates virtual consultations, extending specialized care to patients in remote areas. This integrated approach not only improves patient outcomes but also ensures that high-quality critical care is accessible to those in need, regardless of their location.

Impact areas

No. Of E-ICU Patients

21,158 or 10%
of total customers

No. of Telemedicine Patients

1,905 or 1%
of total customers

Affordability

Somerset Hospitals are committed to enhancing healthcare affordability by actively leveraging government health schemes and partnerships with insurance providers and TPAs. These initiatives lower out-of-pocket expenses, reduce financial barriers, and ensure timely access to high-quality care—particularly for patients in Tier 2 and Tier 3 cities.

Cost Savings Enabled through government schemes[22]

Somerset hospitals are committed to making healthcare affordable by strategically leveraging government-backed health schemes, to reduce network's financial barriers and ensures that high-quality care reaches patients across Tier 2 and Tier 3 cities.

Somerset hospitals enable significant cost savings and accessibility through Ayushman Bharat. Ayushman Bharat (PM-JAY) provides cashless healthcare coverage for low-income and vulnerable populations across India.

% of Ayushman Bharat Patients

29%

of total patients (1,63,370)

% of Revenue from Ayushman Bharat

48%

of total revenue

[22] Only 13 units considered for Ujala

Case Study

Sterling Hospital: Driving Affordable Specialized Care Through Ayushman Bharat Hospital

Sterling Hospital has been instrumental in making specialized healthcare affordable for economically vulnerable populations through the Ayushman Bharat (PM-JAY) scheme, which provides cashless coverage for low-income patients across India. By integrating this scheme into its hospital operations, Sterling has enabled patients to access critical and complex procedures that would otherwise carry prohibitive costs. Cardiology interventions, including pacemaker implantation and angioplasty, became accessible at substantial savings, while cancer treatments like chemotherapy cycles and neurological surgeries such as stroke thrombolysis and craniotomy saw significant reductions in out-of-pocket expenses. Elective and revision surgeries in orthopaedics and general surgery, as well as renal treatments, were also made more affordable, ensuring continuity of care for patients with chronic or life-threatening conditions.

No. of surgeries conducted

Heart-related surgeries	Cancer-related surgeries	Other surgeries (including general, gastro, neuro, ortho, renal)
1,201	1,224	4,754

Illustrative cost savings enabled via Sterling's Ayushman Bharat Services[23]

Specialty	Procedure	Cost Saving % via Ayushman Bharat
Cardiology	Permanent Pacemaker (Single)	73.20%
	PTCA (Angioplasty, 1 stent)	59.40%
Oncology	Chemotherapy (per cycle)	39.50%
Gastroenterology	ERCP (diagnostic & therapeutic)	62.50%
Neurology	Stroke Thrombolysis	50.90%
	Craniotomy for Tumor	50.00%
Orthopaedics	Total Hip Replacement (Revision)	27.50%
	Hemiarthroplasty (Bipolar)	12.80%
Renal	Renal Transplant (surgery only)	44.40%
	Hemodialysis (per session)	10.00%
General Surgery	Laparoscopic Cholecystectomy	73.60%
	Total Knee Replacement (Revision)	58.80%

[23] Source: https://nha.gov.in/img/resources/HBP2022.pdf: Ayushman Bharat costs were compared with Sterling's costs for similar services

Additionally, Somerset's hospitals also extend affordability through other government health schemes such as CGHS, ESI and state government schemes (RGHS, Maa Yojana) These schemes provide healthcare access to specific populations like government employees, insured workers, and state-supported beneficiaries.

CGHS (Central Government Health Scheme)

Healthcare for central government employees and pensioners

7,028

ESI (Employees' State Insurance)

Social security and healthcare for employees in the formal sector

7,773

Other govt payor schemes

Regional or maternity support for low-income populations (RGHS, MAA Yojana, etc.)

13,888

This integration of government-supported programs highlights how hospitals can bridge affordability gaps, expand access to high-quality care, and create meaningful social impact for underserved communities.

Enabling Affordable Healthcare Through Insurance and Third-Party Coverage

Beyond government schemes, Somerset hospitals enhance healthcare affordability by partnering with insurance providers and third-party administrators (TPAs). These arrangements allow patients to access high-quality care without paying the full cost upfront, reducing financial stress and encouraging timely medical interventions. By integrating insurance and TPA coverage into their services, Somerset hospitals make specialized and critical care accessible to a broader population, including those who might otherwise delay or forego treatment due to cost concerns.

% of Insurance / Third Party Patients

5% (97,685)[24]

% of Revenue from Insurance and Third-Party Patients

19%[25]

Through this model, Somerset hospitals not only provide cashless and partially covered treatment options but also ensure continuity of care for patients across specialties, reinforcing the network's commitment to affordability and financial protection in healthcare.

[24] Considered for 11 units of Ujala
[25] Considered only for Apex and Sterling

Quality

Somerset hospitals prioritize delivering high-quality healthcare by integrating rigorous accreditation standards, internal audits, and well-structured hospital operations. By balancing patient volumes with skilled medical staff and continuously monitoring clinical practices, the network ensures safe, effective, and reliable care. This commitment is further validated by high patient satisfaction scores and a growing number of referrals, reflecting both clinical excellence and trust in Somerset's services.

Enabling Quality Through Accreditation and Internal Audits

Somerset hospitals uphold high standards of clinical care through nationally recognized accreditation and systematic internal audits. NABH-certified facilities follow stringent benchmarks in patient safety, clinical processes, and hospital management. Internal audits, particularly for patients served through government payor schemes, ensure compliance with best practices and continuous improvement, aligning Somerset hospitals with global quality expectations.

NABH Accreditation

34

Facilities certified

% Of hospitals having an internal audit of medical practices for patients served through government payor mechanisms

93%

Managing Patient Burden with Optimal Staff Ratios

Somerset hospitals balance patient volumes with skilled medical professionals to maintain quality care. On average, each hospital manages 25,924 patients, with a doctor-to-patient ratio of 1:1,088 and a nurse-to-patient ratio of 1:303. While the doctor-to-patient ratio is lower than India's national average of 1:834, Somerset maintains a higher nurse-to-patient ratio compared to the national average of 1:476[26], reflecting strong staffing efficiency and support for patient care.

Average no. of patients per hospital[27]

25,924

Average no. of patients per doctor[28]

1,088

Average no. of patients per nurse[29]

303

[26] Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=1985423&
[27] Only considered Ujala and Apex
[28] Only considered Ujala and Apex
[29] Only considered Ujala and Apex

Patient-Centric Outcomes Evidenced by High Satisfaction

The quality and efficiency of Somerset's hospitals are reinforced by strong patient confidence. With an average PSAT score of 83, patients consistently report satisfaction with clinical care, responsiveness, and overall hospital experience, highlighting the network's effectiveness in delivering high-quality, patient-focused healthcare. Additionally, 6% of patients (21,412) are referred from other facilities, reflecting trust in Somerset's clinical expertise

% of patients based on referrals[30]

6% (21,412)

Average PSAT Score[31]

83

[30] Considered for 10 units of Ujala
[31] Considered for 13 units for Ujala

Innovation

Somerset hospitals are driving innovation to improve affordability, accessibility, and quality of healthcare services, particularly in Tier 2 and Tier 3 cities. By integrating advanced technologies, digital solutions, and specialized equipment, the network ensures that patients receive high-quality care locally, reducing the need to travel to metro centers while improving clinical outcomes and operational efficiency.

Total Investment made in Digital Technology

USD 2 M

Investment in Digital Visual Aids

Sterling Hospital invested in digital visual aids, which enhance clinical diagnostics and pre-surgical planning. This allows for more precise interventions, reduces procedure times, and lowers overall treatment costs, improving both affordability and operational efficiency.

Robotics Integration

Apex Hospital introduced robotic-assisted surgical technology, expanding its capabilities to perform complex procedures with higher precision. This innovation minimizes complications and shortens recovery time, improving both quality of care and accessibility for patients in Tier 2 and Tier 3 cities.

Advanced Surgical and Diagnostic Innovations

Ujala's Tier 2 and Tier 3 facilities have implemented a range of advanced technologies to improve patient care locally.

- **Varanasi:** Implemented the THUNDERBEAT Seal and Cut Machine in the OT, enhancing surgical efficiency and safety during complex procedures.
- **Jammu:** Upgraded diagnostic capabilities with TMT, ECHO, and LASER equipment, providing advanced cardiovascular and imaging services to reduce travel to metro centers and enable early detection.
- **Kaithal:** Established a fully equipped NICU, including anesthesia machines, TTCO monitors, Striker cameras, Echo, and USG, enabling timely interventions for high-risk infants and complex cases, significantly enhancing quality, accessibility, and survival outcomes.

Improved Health Outcomes

Improved Health Outcomes for Acute Myocardial Infarction (AMI)

Acute Myocardial Infarction (AMI), commonly known as a heart attack, is a leading cause of death and disability in India. Timely access to cardiac care remains limited in Tier 2 and Tier 3 cities, making AMI a major public health concern.

High Incident Rates

Cardiovascular diseases, primarily ischemic heart disease, account for over 25% of deaths in adults aged 30–69 in India[32]

India has one of the highest burdens of AMI globally, with an estimated 1.7 million deaths annually due to ischemic heart disease (GBD 2019).

Premature Deaths & Complication

The average age of heart attack patients in India is 10 years younger than in high-income countries, meaning significant loss of productive life years (Gupta et al., Circulation 2012).

Survivors often experience chronic complications such as angina and heart failure, which reduce quality of life and functional ability, increasing the societal and economic burden (GBD 2019).

Lack of Access in Tier 2 / Tier 3 Cities

Tier 2 and Tier 3 cities face shortages of tertiary cardiac care facilities, resulting in delayed interventions and higher mortality compared to metro centers (Indian Heart Journal, 2018).

Somerset's hospitals have provided rapid, high-quality cardiac care to patients experiencing AMI. By doing so, they not only saved lives but also prevented long-term disability, helping patients maintain their health and quality of life. To capture the scale of this impact, we estimated the Disability-Adjusted Life Years (DALYs) averted.

DALYs measure the number of healthy years of life lost due to premature death or disability. By comparing what happened with hospital care to what would likely have occurred without treatment, we can quantify the healthy life years saved through Somerset's interventions

Hospital[33]	AMI Patients Treated	In Hospital Mortality Rate[34]	DALYs With Treatment	DALYs Without Treatment	DALYs Averted
Apex	1,410	0.68%	565	7,511	**6,946**
Sterling	3,080	1.60%	1,842	15,175	**13,333**
Ujala[35]	471	1.75%	314	2,509	**2,195**
Aggregate	4,961	1.5% (Average)	2,721	25,195	**22,474**

Somerset hospitals preserved over 22,000 healthy life years, substantially reducing premature deaths and chronic disability. Access to timely cardiac interventions in Tier 2 and Tier 3 cities ensures patients survive AMI and maintain better quality of life. By providing specialized care closer to home, these hospitals address a critical gap in India's cardiovascular health landscape, where untreated AMI can otherwise lead to severe mortality and long-term complications.

[32] Source: https://www.who.int/thailand/publications/m/item/non-communicable-diseases-in-south-east-asia--journeying-towards-the-sdg-target?
[33] Detailed Methodology, Assumptions, Data Sources and Limitations Provided in Annexures
[34] Hospital mortality used as proxy for 30-day mortality
[35] Ujala Cygnus Group's Data Only Includes it's 4 units: Moradabad, Kashmir, Haldwani and Kaithal

Deep Dive - Diagnostics

Status of Diagnostic Sector in India

Growth trajectory & market size

The diagnostics sector in India is valued at around USD 14–15 billion, with a compound annual growth rate (CAGR) of 13-14%[36]

Rising demand outside metros

Tier-2 and Tier-3 towns are expanding rapidly at ~25% CAGR, compared to ~10% in metropolitan areas. Smaller towns now account for about 40% of total diagnostic revenues, with projections suggesting parity with metro contributions soon[37]

Market fragmentation

The industry remains highly fragmented, with roughly 75–83% of diagnostic services provided by unorganised or standalone centres, and only a small portion handled by organised chains [38, 39]

Regulatory inconsistencies

Few states have adopted the Clinical Establishments (Registration & Regulation) Act, leading to inconsistent regulation. Many labs are not NABL-accredited, affecting quality and trust

Key Challenges Facing the Sector

Accessibility gaps

Many Tier-2 and Tier-3 regions lack advanced diagnostic facilities like CT or MRI scanners, forcing patients to travel to distant metros

Quality and standardization issues

The fragmented nature of the sector results in inconsistent service quality, with disparities in accuracy, personnel qualifications, and adherence to standards

Cost barriers

Lack of standardized pricing leads to high variability and often prohibits low-income populations from accessing necessary diagnostics

Infrastructure and personnel shortages

Shortage of trained technicians and outdated equipment in non-metro areas further limit diagnostic capacity and scope

Need for technological integration

Adoption of digital tools, like tele-diagnostics and AI, is growing but remains uneven, limited by infrastructure gaps

[36] Source: https://www.expresshealthcare.in/news/diagnostics-beyond-metros-bridging-the-gap/447985/
[37] Source: https://medicalbuyer.co.in/diagnostic-centers-catalysts-of-the-healthcare-revolution-2/
[38] Source: https://www.bwhealthcareworld.com/article/indias-diagnostic-industry-after-78-years-of-independence-challenges-future-prospects-529839?
[39] Source: https://medicalbuyer.co.in/diagnostic-centers-catalysts-of-the-healthcare-revolution-2/

How Somerset's Strategic Investment in Krsnaa Diagnostics is Filling the Gap

Pan-India footprint

Krsnaa Diagnostics is accredited by NABL and NABH and stands as India's largest pan-India provider in both radiology and pathology

Service breadth

Offers a comprehensive portfolio including pathology, X-ray & CT, MRI, USG, tele-radiology, tele-pathology, and more, with upcoming PET & LINAC services

Extensive network expansion

Operating over 3,600 centres by FY 2024, up from 660 in FY 2018, covering radiology labs, pathology labs, collection centres, and tele-reporting hubs

Quality assurance

NABL/NABH accreditation supports standardized services across its network, addressing trust and quality concerns pervasive in fragmented markets

Public–Private Partnerships

Facilitates critical diagnostic services for government hospital patients, free to the patient, state-funded, through successful tender wins, showcasing capability in bridging access gaps

Accessibility

Krsnaa Diagnostics is advancing equitable access to diagnostic care in India through a multi-pronged approach that combines infrastructure expansion, strategic partnerships under the National Health Mission (NHM), and an innovative public–private partnership (PPP) model. These efforts collectively extend advanced diagnostic services to Tier 2 and Tier 3 cities, rural districts, and government health facilities, thereby strengthening public health systems and reducing geographic disparities in care.

Expanding Diagnostic Infrastructure & Service Breadth to Underserved Regions

Krsnaa has established one of the largest diagnostic footprints in India with operations spanning 18 states and more than 150 districts, its hub-and-spoke model integrates pathology collection centers, processing laboratories, advanced radiology facilities, and tele-radiology hubs, ensuring both breadth of services and depth of reach into underserved areas.

18
Presence States/UTs covered

150
Districts Covered

5,298
Total facilities

- Pathology collection centers **3,500+** (66.06%)
- Tele-reporting hubs **1,501** (28.33%)
- Advanced radiology centers (CT/MRI) **180** (3.39%)
- Pathology labs: **117** (2.22%)

Total patients in FY25

19.2 M[40]

[40] Patient volume data (19.2 million) for Krsnaa Diagnostics in FY25 has been sourced from the company's Annual Report 2024-25

Targeting Underserved Populations Through NHM Tie-ups

Krsnaa has been at the forefront of implementing large-scale projects under the National Health Mission's Free Diagnostics Service Initiative, which seeks to provide free access to essential pathology and radiology tests at government facilities.

Krsnaa's NHM Reach-

Pathology NHM coverage
Partner in **8** out of **12** states/UTs implementing the NHM program **(67%)**.

Radiology NHM coverage
Partner in **12** out of **19** states/UTs implementing the NHM program **(63%)**.

Through these contracts, millions of patients, particularly those in district hospitals, community health centers, and rural areas, can now access critical tests such as MRI, CT scans, digital X-rays, and pathology at no direct cost. The model transforms government facilities into reliable diagnostic access points, significantly reducing access inequities.

Rajasthan –A Mega-Lab Network for Universal Access

In 2024, Krsnaa was awarded a landmark PPP contract in Rajasthan, one of India's largest state-level diagnostic projects. The company is setting up 42 state-of-the-art "mother" laboratories, 135 satellite labs, and over 1,300 collection centers covering every district in the state. This mega-network will enable testing for millions of people in both rural villages and smaller towns, ensuring access to reliable diagnostics at the last mile. It is regarded as one of the most ambitious diagnostic PPP initiatives in India.

Assam and Uttar Pradesh - Deepening Reach in Hard-to-Access Terrains

In Assam, Krsnaa is establishing 10 hub laboratories and 1,256 collection centers, many of which are already operational. These facilities are designed to serve populations in remote and flood-prone areas, ensuring continuity of care where private providers are absent.

In Uttar Pradesh, Krsnaa is rolling out 1,000+ pathology centers in challenging terrains, addressing one of the country's largest diagnostic access gaps by population size.

Strengthening Public Health Systems Through PPPs

Krsnaa has also pioneered a PPP model that has become a benchmark in diagnostic service delivery. Under this model, state governments provide physical space within hospitals, while Krsnaa invests in equipment, IT systems, and skilled personnel. States reimburse Krsnaa either on a per-test basis or through fixed contractual fees. This shared-responsibility model enables governments to expand diagnostic services without bearing the full operational burden, while ensuring that patients, particularly those at the bottom of the pyramid, receive advanced diagnostics at no cost.

Maharashtra (2023)

Awarded a contract to install and operate 1**7 MRI** and **17 CT scanners** across state hospitals, marking one of the largest radiology tenders in India.

BARC Partnership

Exclusive collaboration with the Bhabha Atomic Research Centre to provide tele-radiology services.

Recent Expansions

In FY 2025, Krsnaa secured major PPP contracts across Jharkhand, Assam, Madhya Pradesh, and Odisha. These wins facilitated the commissioning of 45 radiology centers, one pathology lab, and over 700 collection centers.

Affordability

Krsnaa Diagnostics ensures high-quality diagnostic services remain financially accessible, particularly for economically vulnerable populations in rural and semi-urban India. By combining operational efficiency, strategic partnerships, and technology-enabled delivery, the company reduces both direct and indirect costs for patients, enabling timely diagnosis and treatment without financial strain.

Reducing Direct Diagnostic Costs

Krsnaa provides diagnostic tests at substantially lower prices compared to private facilities, ensuring that essential healthcare services are affordable for low-income patients.

Cost reduction

70–90%
below private market rates

Providing Free or Subsidized Diagnostics Through NHM and State Programs

Through tie-ups with the National Health Mission (NHM) and state health programs, Krsnaa offers pathology and radiology services at no cost to patients, ensuring affordability for economically disadvantaged populations.

Pathology services
Free testing in 8 of 12 NHM states

Radiology services
Free imaging in 12 of 19 NHM states

Reducing Indirect Costs Through Technology and Service Models

Krsnaa's innovative hub-and-spoke network, tele-radiology, and home collection services lower patients' indirect costs, such as travel and waiting times, making healthcare more affordable in a holistic sense.

Travel cost savings

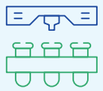
Patients in rural Assam or Uttar Pradesh can access tests locally instead of traveling long distances to private labs in urban centers

Tele-radiology

8–9 million images interpreted annually, reducing the need for on-site specialists and avoiding travel

Home collection services

Phlebotomy at home reduces patient time and travel expenses



Centralized lab processing

High-volume efficiency lowers operational costs, which translates into lower pricing

Quality

Krsnaa combines rigorous accreditation, advanced technology, and standardized workflows to deliver reliable, high-quality diagnostics across both urban and underserved areas, building clinical trust and improving outcomes.

Ensuring Laboratory and Imaging Accuracy Through Accreditation

Krsnaa invests in internationally and nationally recognized quality standards, ensuring diagnostic reliability and clinical confidence.

31 (17.41%)
NABH-accredited radiology centers

51 (43.58%)
NABL-accredited labs

CAP-accredited labs

Achieved for one large lab within a government hospital, ensuring compliance with global pathology standards

Leveraging Technology for High-Quality Diagnostics

Krsnaa integrates advanced technology to maintain consistent quality across its pan-India network, even in remote areas.

Tele-radiology reporting

8–9 million images read annually, providing expert interpretation to peripheral centers

AI-enabled diagnostics

Early detection of anomalies in imaging and lab results, enhancing diagnostic accuracy

Automated lab systems

Centralized, high-throughput processing reduces human error and ensures standardization

Standardizing Clinical Protocols and Operational Governance

Krsnaa applies strict clinical and operational SOPs across all centers, ensuring compliance with regulatory and ethical standards.

- Standard operating procedures implemented for sample handling, radiology reporting, and patient communication
- Regular internal audits and quality checks across hubs and collection centers
- Staff training programs for pathologists, radiographers, lab technicians, and support personnel

Continuous Monitoring and Feedback for Quality Assurance

Krsnaa employs real-time monitoring and feedback loops to uphold high standards across its network

- Centralized LIS/LIMS and PACS systems monitor lab and radiology workflows
- Tele-reporting hubs enable second-opinion verification, ensuring accuracy
- Patient feedback and incident reporting systems capture issues for prompt corrective action

Innovation

By virtualizing scarce specialist resources and integrating technology-driven workflows, Krsnaa maximizes utilization of diagnostic equipment, ensures consistent quality, and expands the reach of specialized diagnostic services to remote and underserved populations.

Scaling Diagnostics Through Tele-Radiology and Digital Workflows

Krsnaa leverages tele-radiology to virtualize specialist capacity, enable 24×7 reporting, and maintain uniform quality standards across remote sites. Integrated digital workflows connect hub labs, satellite labs, mobile units, and home collection services for operational efficiency.

Central tele-radiology hub (Pune)
24×7 reporting

Images interpreted remotely
8-9 M/year

Standardized reporting protocols
Across all remote scanners

Hub-and-spoke labs, mobile units, home collection
Operational in multiple states

Digital workflows spanning PPP and retail networks

Case Study

Krsnaa's Pune Tele-Radiology Hub - Bridging Specialist Gaps in Imaging Across India

Krsnaa Diagnostics has leveraged innovation to overcome one of India's most pressing healthcare challenges: the uneven distribution of radiologists and limited access to advanced imaging in tier-2, tier-3, and rural areas. Central to this effort is its Pune Tele-Radiology Hub, the first of its kind in India to receive NABH accreditation, demonstrating adherence to the highest standards of quality, data security, and operational excellence.

The hub operates on a hub-and-spoke model. Diagnostic images – including CT, MRI, X-ray, and ultrasound scans – are captured at district hospitals, public-private partnership (PPP) centers, and other remote facilities, then transmitted via PACS in DICOM format to the Pune hub. Radiologists at the hub provide 24×7 reporting, following standardized templates and rigorous quality-control protocols. Critical findings are flagged immediately, ensuring urgent cases receive timely clinical attention.

Supporting 180 advanced radiology centers across 18 states and union territories, the Pune hub reports an estimated 8–9 million images annually. AI-enabled quality checks and peer-review processes further ensure consistency, accuracy, and reliability of reports. By offering specialist interpretation free of cost to patients under state health schemes, the hub removes the need for patients to travel long distances to tertiary centers, reducing out-of-pocket expenditures and ensuring equitable access to high-quality imaging services.

The hub also incorporates redundant connectivity links, store-and-forward workflows, and load-balanced 24×7 workforce scheduling to mitigate operational challenges. State reimbursement cycles are managed through structured billing and collections processes, ensuring sustainability without compromising service quality.

Krsnaa's Pune Tele-Radiology Hub exemplifies how technology-driven innovation, centralized reporting, and robust governance can transform access to radiology in India, extending specialized imaging capabilities to underserved regions while maintaining quality, efficiency, and timeliness.

Outcome

Annual Volume
~8-9M images reported annually

Network Reach
180 advanced radiology centers across 18 states/UTs

Quality Accreditation
First NABH-accredited tele-radiology hub in India

Access & Equity
Specialist reporting provided free to patients under state health schemes

Timeliness
24×7 radiologist coverage with standardized reporting and critical findings flagged

Technology Integration
AI-enabled quality control, PACS/DICOM transfers, and peer review processes

Emergency Support
Strengthened trauma and emergency pathways through timely imaging reports

Challenges Mitigated
Redundant connectivity links; 24×7 scheduling; structured billing and collections

Deep Dive - MedTech

Status of MedTech Sector in India

The Indian MedTech market was valued at approximately US $15 billion in 2023-24 and is projected to surge to US $50 billion by 2030, with expected growth in global market share from 1.65% to 10–12% over 25 years[41, 42]

The sector is heavily import-dependent, sourcing 80–85% of devices internationally; imports totaled about US $8.21 billion in 2024-25, whereas exports stood at US $3.7 billion[43]

India currently accounts for around 2% of the global MedTech market (~US $16 billion), with the sector expected to grow at three times the global rate, supported by government initiatives like "Make in India," MedTech parks, and improved regulation[44, 45, 46]

Key Challenges Facing the Sector

Regulatory and supply chain complexity

Manufacturers face challenges navigating poorly aligned regulations and insufficient clarity, particularly concerning refurbished devices[47]

Import dominance and pricing disparities

Imported devices, comprising nearly two-thirds of the market, are often priced higher or lack transparent pricing, squeezing domestic players and consumers[48]

Import dependence & cost of consumables

Key dialysis consumables, machines, and RO treatment plants are largely imported, subject to customs duty and taxes, increasing treatment costs and limiting affordability[49, 50]

Infrastructure and skills gaps

Tier-2 and 3 cities often lack trained personnel to operate complex medical equipment, leading to underutilization and skewed access to metros[51]

Fragmented innovation and manufacturing

While innovation nodes like AMTZ and regional MedTech hubs are emerging, broader manufacturing and R&D capacity remains limited[52, 53]

[41] Source: https://www.ey.com/en_in/insights/health/india-s-medtech-transformation-paving-the-path-to-global-leadership
[42] Source: https://www.trade.gov/market-intelligence/india-medical-devices
[43] Source: https://www.business-standard.com/industry/news/govt-medtech-industry-go-local-to-develop-high-end-medical-devices-125040600235_1.html
[44] Source: https://www.business-standard.com/industry/news/govt-medtech- industry-go-local-to-develop-high-end-medical-devices-125040600235_1.html
[45] Source: https://timesofindia.indiatimes.com/city/vijayawada/medtech-zone-puts-vizag-on-the-science-map-of-india/articleshow/122133305.cms?
[46] Source: https://www.investindia.gov.in/sector/medical-devices?
[47] Source: https://timesofindia.indiatimes.com/business/india-business/medtech-how-india-can-lower-its-huge-import-dependence/articleshow/108056863.cms?
[48] Source: https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/medtech-firms-flag-inflated-mrps-on-imported-devices/articleshow/123004872.cms?
[49] Source: https://www.sciencedirect.com/science/article/pii/S246802492301361X
[50] Source: https://nathealthindia.org/wp-content/uploads/2023/03/EY-Dialysis-Whitepaper_Final-Version_For-Print.pdf
[51] Source: https://timesofindia.indiatimes.com/blogs/voices/future-proofing-healthcare-why-skilling-in-medical-technology-must-take-centre-stage/?
[52] Source: https://timesofindia.indiatimes.com/city/vijayawada/medtech-zone-puts-vizag-on-the-science-map-of-india/articleshow/122133305.cms?
[53] Source: https://www.investindia.gov.in/sector/medical-devices?

How Somerset's MedTech Investments (Cyrix, GenWorks and Browndove) are Filling the Gap

Cyrix Healthcare

Established over two decades ago, Cyrix Healthcare specializes in the maintenance, servicing, and refurbishment of medical equipment, offering multi-vendor service contracts, refurbished devices, calibration, and biomedical training through its Cyrix Academy[54]. With a network serving 19,000+ healthcare institutions and managing devices nationwide, Cyrix enhances access and affordability in underserved markets. Somerset's investment of ~USD 14.6 million is enabling the company to expand its footprint across public and private sectors, ensuring timely equipment servicing, reducing cost barriers, and improving patient access to tertiary care[55].

GenWorks Health

Founded in 2015 as a digitally powered MedTech distribution platform, GenWorks focuses on improving specialist access through connected care and tele-solutions, delivering affordable technologies across imaging, cardiology, maternal & newborn care, critical care, and perioperative segments[56, 57]. Operating in 26 states and 450+ districts, GenWorks has impacted over 6 million lives annually and touched 200 million lives since inception[58, 59]. Somerset's backing, alongside other partners, has accelerated its expansion into Tier-2 and Tier-3 regions, improving affordability and adoption of healthcare technology solutions.

Browndove Healthcare

With over 25 years of expertise, Browndove Healthcare is a leading manufacturer and distributor of renal-care consumables such as dialyzers, bloodline sets, AV fistula needles, and haemodialysis catheters[60, 61]. The company operates state-of-the-art facilities adhering to ISO and CE standards and exports to multiple regions, including SAARC, the Middle East, Europe, and Africa. Somerset's Series A investment of USD 3 million is helping Browndove scale capacity to meet growing demand in renal care and promote domestic manufacturing of specialized consumables[62].

[54] Source: https://cyrixhealthcare.com/
[55] Source: https://economictimes.indiatimes.com/tech/technology/pe-fund-somerset-picks-up-minority-stake-in-cyrix-healthcare-for-rs-140-crore/articleshow/116162180.cms
[56] Source: https://somersetinduscap.com/portfolio/genworks-health/?
[57] Source: https://vedacorp.com/transaction/genworks-raised-private-equity-investment-from-somerset-indus-capital-partners/?
[58] Source: https://indianstartupnews.com/news/medtech-startup-genworks-health-raises-17-6m-in-funding-led-by-somerset-morgan-stanley-others/?\
[59] Source: https://somersetinduscap.com/genworks-health-raises-rs-135-cr-from-somerset-indus-capital-partners-morgan-stanley-evolvence-wipro-ge/?
[60] Source: https://browndove.com/
[61] Source: https://somersetinduscap.com/portfolio/browndove/?
[62] Source: https://www.majmudarindia.com/transaction/advised-browndove-and-its-promoters-on-series-a-investment-of-inr170-million-by-somerset-indus-healthcare-fund/

Accessibility

Somerset's MedTech investments enhance the availability of modern medical devices across hospitals, clinics, diagnostic centers, and nursing homes, particularly in underserved Tier 2/3 cities and aspirational districts. By strategically targeting both government/public facilities and smaller private providers, these investments strengthen healthcare delivery and expand access to specialty care and diagnostic services.

Reaching Healthcare Facilities Across Underserved Geographies

Somerset's portfolio ensures that medical devices reach a wide range of facilities, improving coverage in Tier 2/3 cities, aspirational districts, and select rural areas, and enabling both primary and specialized care. The investments also enable new customers and facilities to access medical technology for the first time, driving the expansion of modern healthcare infrastructure.

Total Healthcare Facilities Served

24,252

Total New Healthcare Facilities Served[63]

2,580

% of Facilities in Tier 2/3 cities[64]

~69%

% of Facilities in Aspirational Districts[65]

~8.08%

% of Aspirational Districts Reached

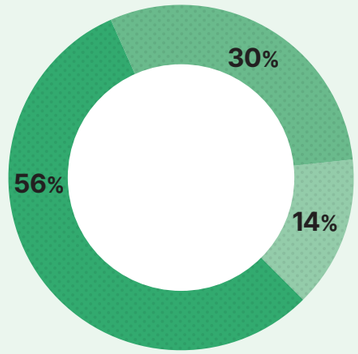
92%

(103 out of 112 Aspirational Districts)

[65] Considered only Browndove and GenWorks
[66] Considered only Cyrix and GenWorks for calculation

Focusing on Government & Public Facilities with Limited Access

A key objective of Somerset's MedTech investments is to strengthen access to quality equipment in government and public facilities, where availability of modern medical devices often remains low. By targeting CHCs, PHCs, district hospitals, medical colleges, and BEMP program hospitals, these investments ensure that even high-volume, resource-constrained facilities can deliver reliable, advanced care.



- **Government & Public Facilities**
  (CHCs, PHCs, district hospitals, medical colleges, BEMP program hospitals)
  13,653 (56%)
- **Other Hospitals & Diagnostic Centers**
  (private hospitals, multi-specialty hospitals, diagnostic centers)
  7,363 (30%)
- **Small Private Providers**
  (clinics, nursing homes, standalone dialysis centers
  3,236 (14%)

[67] Only considered data from Cyrix
[68] Aggregate of data across Cyrix, Browndove and Genworks

Expanding Access to Specialty Devices and Long-Term Service

Somerset's investments emphasize specialty devices and long-term service, including maternal and women's health, dialysis, and advanced diagnostics. Servicing and refurbishment programs ensure sustained device availability, enabling facilities of all sizes to deliver reliable care.

Total No. of Devices Serviced[66]

0.916 M

Total No. of New Devices Sold[67]

992

Specialty devices

Maternal/women's health devices serviced

1,700

Dialysis consumables sold

5.5 M

Case Study

Case Study: Cyrix Healthcare's BEMP Programme – Expanding Access to Reliable Medical Devices in Public

Public health facilities in India often struggle with equipment downtime and delayed repairs, which limits patient access to diagnostics and treatments. Many hospitals previously relied on multiple vendors, creating long turnaround times and postponing critical procedures.

"Prior to 2022, equipment maintenance was managed by individual manufacturers... Post-BEMP, Cyrix acts as a single-point contact for all equipment-related issues."

– Dr. Rajesh Ramakrishnan
CHC Oncologist

To address these gaps, Cyrix launched the Biomedical Equipment Maintenance Programme (BEMP) under the National Health Mission. The programme ensures that diagnostic and life-saving devices in government hospitals remain operational, combining technology-enabled monitoring with localized service delivery and preventive maintenance. Currently, BEMP operates in 732 public facilities across 14 aspirational districts in Andhra Pradesh, Uttar Pradesh, Kerala, and Rajasthan. By focusing on uptime and accessibility in government hospitals, the programme ensures that patients in even the most remote areas can access quality care.

Key Accessibility Anchors of BEMP

Ensuring High Uptime of Devices	≥95% uptime achieved across facilities, with ventilators repaired in 4–5 hours and X-ray machines restored in 2–3 days.	***"We prioritize based on patient safety. Ventilators are attended to before nebulizers."*** ***– Soorya Sudheep*** ***Field Service Engineer***
Rapid and Reliable Service Response	24 hours for critical equipment, ≤48 hours for non-critical.	***"Smooth communication builds trust. Staff know we're doing our best to resolve issues."*** ***– Soorya Sudheep***
Strengthening Patient Access in Public Hospitals	At a CHC in Kerala, daily patient load rose from 20–30 to 70–80 as downtime reduced.	***"Instances of postponed treatments due to machine downtime have reduced significantly."*** ***– Dr. Rajesh Ramakrishnan***
Local Deployment in Underserved Districts	Engineers are embedded at the district level, including remote regions such as Wayanad (Kerala) and Shravasti (UP), ensuring accessibility is not urban-centric.	
Training and Capacity Building for Hospital Staff	Engineers deliver 2+ training sessions per month, covering safe handling, preventive care, and NABH-compliant reporting	***"Even if only one person needs training, we provide it. Prevention is better than cure."*** ***– Soorya Sudheep***

By embedding digital monitoring (Mobilize platform), localized service teams, and preventive strategies, Cyrix has transformed accessibility of reliable medical devices in India's public hospitals. The programme ensures equitable access to diagnostics and life-saving treatments while building trust among frontline staff and patients.

Looking ahead, BEMP plans to integrate predictive AI and remote diagnostics, further reducing downtime and securing access to quality equipment for millions.

"The shift from manufacturer-led maintenance to Cyrix's BEMP has been seamless."

– Ms. Aswathy, Radiographer

Affordability

Somerset's MedTech portfolio lowers the cost of ownership and operation for hospitals, ensuring that even smaller and resource-constrained facilities can access quality devices. Affordability is achieved through refurbished equipment, leasing and subsidy models, payment flexibility, and integration with public procurement systems, collectively reducing both CAPEX and OPEX burdens.

Reducing Upfront Capital Burdens Through Refurbished and Leased Devices

By supplying refurbished devices and enabling leasing, Somerset's MedTech portfolio allows smaller and mid-sized hospitals to overcome high upfront capital costs. This approach reduces total cost of ownership and extends the reach of modern technologies into facilities that otherwise lack the resources for new equipment.

Total number of refurbished devices sold[69]

52

CapEx Savings Enabled for Healthcare Facilities[70]

USD 0.32 M

Improving Cash Flow Through Flexible Financing Models

Financing support and flexible payment terms de-risk hospital cash flow and make advanced devices attainable for providers in resource-constrained settings. These models also expand the addressable market by enabling smaller facilities to purchase without large upfront outlays.

GenWorks
Buy-now-pay-later financing enabled via Bajaj Finance

Cyrix
25% advance with 30-60 days credit terms

[69] Includes only Cyrix data
[70] only considering Genworks

Driving Affordability at Scale Through Public Procurement and Economies of Production

Deep integration into government tendering systems and careful production planning reduce per-unit costs while ensuring steady availability. These mechanisms strengthen public supply chains while delivering affordability gains across providers.

Browndove:

120 MT
of dialysis consumables supplied via government tenders

Annual sales of
5.5 M
dialysis consumables

Through a combination of refurbished/leased devices, flexible financing, subsidized access, and procurement integration, Somerset's MedTech investments reduce both capital and operational costs for providers. This ensures smaller hospitals and government facilities can access high-quality devices, expand services to underserved populations, and maintain financial sustainability while delivering critical care.

Quality

Somerset's MedTech companies strengthen clinical outcomes by providing reliable, certified, and well-supported medical devices. By combining OEM-certified technologies, disciplined supply planning, near-continuous uptime, and extensive customer support, these companies enable healthcare providers to deliver safe, consistent, and high-standard care. Quality assurance reduces missed diagnostics, prevents cancellations, and builds trust among clinicians and patients alike.

Providing Clinically Trusted and Certified Devices

Certified devices underpin both regulatory compliance and clinical confidence. Somerset's portfolio ensures that hospitals and clinics receive devices that meet stringent standards, fostering trust and reducing regulatory risk.

Certified devices supplied

100% OEM-compliant (Mindray – Cyrix), 1 CDSCO-certified (GenWorks) WHO GMP-certified products (Browndove)

Regulatory compliance impact

Ensures safe usage and mitigates risk in public and private healthcare settings

Reliable Performance and Minimal Defects

High device reliability is critical to continuous healthcare delivery. Somerset companies prioritize durable, low-failure equipment, preventing treatment interruptions and supporting operational efficiency.

Device uptime (service):

98% *- Cyrix*

Device defects / recalls

0 recalls **5** minor complaints *- Cyrix*

Customer complaints handled

5,959 *- GenWorks*

Customer satisfaction

>90% *- GenWorks (GE survey)*

Supply reliability

Production closely aligned with sales across SKUs; all manufactured products are WHO GMP-certified - *Browndove*

Training, Support, and Fulfilment Discipline

Beyond the devices themselves, Somerset's MedTech companies provide structured training and proactive customer support to ensure proper usage, maintenance, and preventive care. This approach strengthens operational reliability and builds confidence among healthcare providers.

Training & support initiatives

Device user training programs and proactive maintenance guidance – *Cyrix*

Fulfilment discipline

Close alignment of production and sales ensures continuous availability of products, reducing stock-outs – *Browndove*

Impact on clinical workflow

Fewer missed scans, cancelled procedures, and improved patient care consistency

By delivering certified, reliable, and well-supported equipment, Somerset's MedTech portfolio ensures that healthcare providers, particularly in government and Tier 2/3 facilities, can operate efficiently, maintain regulatory standards, and offer safe, uninterrupted patient care.

Innovation

Somerset's MedTech companies are advancing healthcare innovation across technology, process, and product dimensions, ensuring that both public and private providers have access to reliable, efficient, and modern medical devices. Their innovation efforts span new product development, digital platforms, connected devices, and rural-focused technology interventions, collectively strengthening clinical workflows, improving procedural efficiency, and extending high-quality care to underserved populations.

Expanding Product and Procedural Innovation

The companies have collectively launched 4 new products across critical care, dialysis, and operational platforms. These innovations not only broaden the portfolio of devices available to hospitals and clinics but also improve procedural efficiency, reduce interface errors, and enhance reliability in clinical workflows, particularly for dialysis and ICU procedures.

New products launched

2 ICU/OT products – ***GenWorks***;
2 dialysis-related products (PrimeFlo Priming Tube & HD Catheter) – ***Browndove***

Clinical efficiency impact

Portfolio adjacency strategy reduces interface risks and improves procedural workflow – ***Browndove***

Investing in Digital and Connected Technology

Somerset's MedTech players have invested a combined USD 0.2 million in digital and process innovations, including dashboards for device tracking, service monitoring, and workforce coordination (Cyrix and GenWorks). GenWorks has deployed 10 AI/Cloud-enabled devices for diagnostics and ICU/OT monitoring, while Cyrix has implemented UID tagging for device traceability, strengthening operational oversight, improving asset utilization, and reducing equipment downtime

Digital investment

~USD 0.01 million – BEMP dashboards and service tracking – ***Cyrix***; ~ USD 0.13 million – digital platforms and workforce development – ***GenWorks***

Connected/AI-enabled devices

10 units – ***GenWorks***

Digital & process benefits

UID tagging for device traceability – ***Cyrix***; platform-enabled remote monitoring, telemedicine, and diagnostics – ***GenWorks***

Expanding Access Through Technology- Enabled and Rural- Focused Innovations

Somerset's innovation efforts extend beyond urban centers, integrating technologies and delivery models that improve care in rural and underserved populations.

Rural health initiatives

Cloud-based cervical & breast cancer screening, Tele-ECG campaigns, remote telemedicine consultations – ***GenWorks***

Affordable product distribution

GenStore – online platform for low-cost consumables and rapid diagnostic kits (dengue, malaria, newborn screening) – ***GenWorks***

Operational efficiency gains

Kit completion strategy reduces setup time, line-change errors, and component interface risks – ***Browndove***

By combining new product development, digital process integration, and rural-focused care solutions, Somerset's MedTech companies increase procedural efficiency, broaden the range of accessible technologies, and strengthen competitive differentiation, while supporting hospitals in delivering safe, high-quality, and timely care.

Case Study

Browndove's PrimeFlo - Innovation and Accessibility in Renal Care

Dialysis centers in India, especially in Tier-2 and Tier-3 cities, face significant challenges: long priming times, safety risks from sharp cannulas, and cost pressures. Traditional IV sets used for priming dialysis circuits often require stainless-steel cannulas, which not only increase costs but also pose injury and contamination risks. Additionally, priming could take up to 30 minutes, delaying patient throughput and increasing anxiety.

Browndove responded with PrimeFlo, a dialysis priming solution that re-engineers the conventional IV set. Key design changes included:

- Eliminating the stainless-steel cannula, replaced with a safer stopper mechanism
- Increasing tubing diameter for faster flow
- Maintaining compatibility with existing dialysis systems

"We reverse-engineered the IV set... eliminated the cannula and redesigned the tube ID/OD... this gives better results and reduces priming time."

PrimeFlo has transformed dialysis operations across India by reducing priming time by 15–20 minutes per session, enabling hospitals to treat more patients daily. The PrimeFlo eliminates needles reduces injury and contamination risks, removing the cannula saves ₹2 per unit, contributing to 10-12% overall cost reduction, it is widely adopted in Tier-1 to Tier-3 hospitals, with reusable blood tubing sets (5-6 uses per patient) for low-resource settings, and Browndove has also developed a paediatric variant, addressing a critical gap in child dialysis.

"We developed the pediatric variant... it's not available anywhere else in the market."

Browndove's distribution strength, 200+ city coverage with last-mile partnerships, ensures availability even in rural areas. Its long-standing collaborations with institutions like Bangalore Kidney Foundation and St. John's Medical Centre further reinforce clinical trust. Browndove also conducts 100% leak testing, is an ISO-compliant design, and provides triple-layer sterile packaging ensure reliability.

PrimeFlo stands as a strong example of how thoughtful design and manufacturing innovation can transform patient outcomes, helping hospitals treat more patients safely and efficiently, while improving accessibility in India's most underserved regions.

Impact Indicators

Time Efficiency
Reduced dialysis priming time by 15-20 minutes per session

Cost Savings
Eliminated cannula, saving ₹2 per unit

Overall Cost Reduction
Achieved 10-12% reduction in input costs

Reusability
Blood tubing sets reusable 5-6 times per patient in low-resource settings

Paediatric Innovation
Developed paediatric variant with growing monthly demand

Distribution Reach
Network of 200+ distributors across Tier 1-4 cities

Global Reach
Over 200,000 urethral catheters shipped internationally

Clinical Adoption
Widely used across Tier 1-3 hospitals

CSR & Trust Building
Sponsored dialysis cycles in government health camps

Operational Efficiency
Faster priming increased patient throughput and reduced patient anxiety

Quality Assurance
100% leak testing, ISO-compliant design, and triple-layer packaging

Deep Dive - Pharmaceuticals

Status of Pharmaceutical Sector in India

India stands as the third-largest producer of pharmaceuticals by volume globally, commanding a 20% share in the export of generic drugs[71]

The sector is valued at approximately $50 billion and is projected to reach $450 billion by 2047, driven by robust domestic demand and expanding international market[72]

Key Challenges Facing the Sector

Dependence on Imported APIs

A substantial portion of India's Active Pharmaceutical Ingredients (APIs) is imported, primarily from China. This dependency exposes the sector to supply chain vulnerabilities and geopolitical risks[73]

Regulatory Compliance and Cost Pressures

The introduction of stringent norms, such as the Revised Schedule-M, mandates costly bio-equivalence studies for each drug formulation. For MSMEs, these studies can cost between ~USD 0.022-0.040 million per product, posing significant financial challenges[74]

Environmental and Infrastructure Concerns

Large-scale bulk drug manufacturing clusters face environmental challenges, including waste management and emissions. Additionally, infrastructure gaps hinder the efficient scaling of production

Talent Shortage in Emerging Domains

There's a notable scarcity of skilled professionals in specialized areas like biologics and personalized medicine. Approximately 67% of industry leaders express concern over this talent gap[75]

[71] Source: https://ispe.org/pharmaceutical-engineering/march-april-2025/indian-pharmaceutical-industry-creating-global-impact"IPSE
[72] Source: https://ispe.org/pharmaceutical-engineering/march-april-2025/indian-pharmaceutical-industry-creating-global-impact"IPSE
[73] Source: https://www.policycircle.org/industry/apis-import-depencence-on-china/"Policy Circle
[74] Source: https://timesofindia.indiatimes.com/city/ahmedabad/regulatory-burdens-threatening-pharma-msmes-dmma/articleshow/124075929.cms"Times of India
[75] Source: https://www.ey.com/en_in/insights/health/what-will-it-take-for-india-to-become-a-global-pharma-powerhouse-by-2047"EY

How Somerset's Pharmaceuticals Companies (NBPL, Emil, Globela and Printmann) are Filling the Gap:

Natural Biogenex Pvt Ltd

A wholly owned subsidiary of Natural Capsules Limited, Natural Biogenex specializes in the manufacturing of complex Active Pharmaceutical Ingredients (APIs) using high-end, patented technology. The company focuses on steroidal APIs, aiming to reduce India's dependency on imported raw materials and enhance domestic production capabilities.

Globela Pharmaceuticals

Based in Surat, Globela is a CDMO offering formulations across multiple therapeutic areas, including oncology, anti-infectives, gastroenterology, and cardiovascular diseases. Operating in 32 countries and four major regions, Globela focuses on providing high-quality formulations to meet the growing global healthcare needs.

EMIL Pharmaceuticals

Established in 1989, EMIL is a Contract Development and Manufacturing Organization (CDMO) involved in the manufacturing and marketing of pharmaceutical, nutraceutical, and over the counter (OTC) formulations. With technical expertise in over 200 products across 30+ therapy areas, EMIL caters to more than 20 international markets, addressing the global demand for diverse pharmaceutical solutions.

Printmann

Printmann is a pharma-focused sustainable packaging company providing primarily paper-based packaging solutions. Its product portfolio includes cartons, leaflets, labels, and foils, making it the only player with a presence across all four categories. Printmann addresses the industry's need for eco-friendly packaging alternatives, aligning with global sustainability trends.

Accessibility

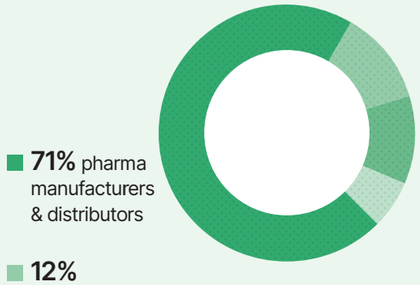
Somerset's pharmaceutical portfolio plays a pivotal role in strengthening the accessibility of medicines, both by supporting upstream pharmaceutical manufacturers and by ensuring patients in underserved markets can access critical therapies. The portfolio spans the full value chain, from API manufacturing and formulation to sustainable packaging, and collectively enhances the reach of medicines to MSMEs, healthcare providers, and patients across India and low- and middle-income countries (LMICs).

Strengthening the Pharmaceutical Ecosystem

The portfolio companies primarily focus on enabling pharma manufacturers and distributors, who represent the bulk of customers. By supporting these manufacturers, Somerset indirectly ensures a wider availability of medicines across domestic and international markets, especially in underserved regions. At the same time, Somerset's companies also engage directly with CROs, government and regulatory authorities, and healthcare providers, facilitating access to medicines and services through collaborative programs, regulatory compliance, and supply partnerships. This dual approach strengthens the overall ecosystem while also delivering medicines more directly to patients in need.

Total Number of Customers

390



Production Facilities

12 manufacturing facilities including
3 dedicated to packaging

Annual output

A combined 1,157 types of medicines produced across multiple therapeutic areas:

110.3 MT
API[76]

0.5 B
Capsules[77]

3.5 B
Tablets[78]

9.2 M
Bottles[79]

Expanding Access in Underserved Geographies

Somerset's portfolio emphasizes Tier 2 and Tier 3 Indian cities, ensuring smaller towns and semi-urban regions have reliable access to essential medicines. Internationally, EMIL extends this impact to LMICs, addressing gaps in availability of critical therapies.

Tier 2 – Tier 3 Penetration

89%[80]
of customers are in Tier 2/3 Indian cities

LMIC presence

21
LMIC Countries: India, Sri Lanka, Philippines, Ghana, Cambodia, Kenya, Nigeria, Honduras, Ecuador, Uganda, Philippines, Bolivia, Cameroon, Liberia, Ivory Coast, Eritrea, Jordan, Lebanon, Madagascar, Senegal, Sierra Leone[81]

Prioritizing Critical Medicines and Inclusive Access

The portfolio companies ensure that high-burden therapies, such as antibiotics and cardiovascular medicines, are produced affordably, while inclusive packaging ensures that these medicines are usable by all patients, including those with visual impairments, literacy challenges, or language barriers. This combination strengthens both clinical and practical accessibility.

Revenue from critical medicines[82]

USD 10.3 M
unlocked from antibiotics

USD 3.4 M
unlocked from cardiac medicines

Inclusive Labelling Revenue

USD 0.9 M
unlocked with inclusive packaging

USD 0.1 M
unlocked with braille labeling

USD 0.3 M
unlocked with local language presentation

USD 0.5 M
unlocked with pictorial labelling

[76] Only Including NBPL and Globela Industries
[77] Only including Globela and EMIL
[78] Only including Globela and EMIL
[79] Only including Globela
[80] Excluding EMIL
[81] Including EMIL and Globela
[82] Considering EMIL and Globela

Affordability

Somerset's pharmaceutical companies advance healthcare affordability by ensuring essential and life-saving medicines are accessible to patients across LMICs and Tier 2–3 cities. Through efficient manufacturing, competitive pricing, and participation in government tenders and public health programs, they reduce treatment costs and expand access to critical therapies—helping patients receive timely, affordable care.

Reducing Cost Barriers for Patients

Somerset's pharma companies focus on lowering the cost of essential and generic medicines to ensure that patients in LMICs and tier-2/3 cities can access treatment without financial strain. By optimizing manufacturing efficiency, leveraging government procurement, and competitive pricing strategies, these companies make medicines more affordable compared to branded alternatives.

Revenue from Generic Medicines

USD 0.2 M[83]

Revenue from Public Health / Essential Medicines

USD 0.3 M[84]

Leveraging Government and Tender-Based Distribution

By supplying medicines through government tenders and public health programs, Somerset's portfolio companies ensure widespread availability while maintaining affordability. This model allows drugs to reach hospitals, clinics, and public health initiatives, where they can be provided free or at minimal cost to patients

EMIL

100% of sales through government-procured tenders; ~85% for final use by government hospitals or clinics

Government further distributes products to patients free or at cost-plus (~10%)

EMIL's pricing in Chile & Sri Lanka ~1/4th of branded alternatives, with an additional 10–15% cost advantage even in government procurement

Prioritizing Critical Medicines for Inclusive Access

Somerset's pharma companies focus on essential therapies including antibiotics, cardiovascular drugs, cancer therapeutics, and other high-priority treatments. By targeting medicines with high public health impact, they ensure that vulnerable populations can access critical care affordably, supporting early diagnosis and treatment.

EMIL

- EMIL top molecules: Omeprazole, Losartan, Sertraline, Enalapril, Aspirin – all priced significantly lower than branded alternatives

Globela Pharma Pvt. Ltd.

- Globela: Covers 72 WHO Prequalified products for infections, malaria, viral fevers, and chronic conditions

[83] Only for EMIL
[84] Only for Globela

Case Study

Globela Making Medicines Affordable in LMICs

Globela has strategically focused on making essential medicines available at significantly lower prices compared to competitors, particularly in LMICs where out-of-pocket healthcare expenditure is high. By producing and distributing WHO Prequalified medicines, the company ensures high-quality treatments for infections, chronic diseases, and critical conditions are accessible to vulnerable populations.

Globela's approach combines cost-efficient manufacturing with market-specific pricing to maximize affordability. Key medicines, including treatments for cancer, infections, and chronic conditions, are priced substantially below alternative brands in LMIC markets. By partnering with government programs, hospitals, and distributors, Globela ensures that these affordable medicines reach underserved populations in tier 1–tier 2 cities and rural areas.

Comparative Pricing of Globela vs Other Players

Product	Use	Country	Globela Price vs Competitors
Abirateron Tablet	Prostate cancer	Peru	**43.08%** lower
Hydroxyurea 500mg Capsule	Leukemia / Sickle cell	Peru	**7×** lower
Etoricoxib Tablet 90mg	Pain & inflammation	Peru	**98.08%** lower
Azithromycin Suspension	Bacterial infections	Nigeria	**27.5%** lower
Sevelamer Carbonate	High phosphate in CKD	Philippines	**4.55%** lower

Impact

Countries Served
Peru, Nigeria, Philippines, Chile, Sri Lanka, and other LMICs

Product Coverage
72
WHO Prequalified medicines for infections, viral fevers, malaria, chronic conditions

Price Advantage
27-98%
lower than competitor brands depending on molecule and market

Patient Reach
Medicines distributed via government programs and public hospitals in LMICs

Affordability
Reduces out-of-pocket costs and enables access to critical treatments for underserved populations

Quality

Somerset's pharma companies emphasize robust quality systems to ensure that medicines are safe, effective, and compliant with international and local standards. They focus on quality spans manufacturing processes, facility certifications, and in-house quality control, ensuring reliable delivery of medicines across LMICs and underserved regions.

Ensuring International and Local Regulatory Compliance

All four companies, EMIL, Globela, NBPL, and Printmann, have certified facilities, adhering to rigorous international and local standards. Certifications such as FDA, WHO GMP, EU GMP, CDSCO, and local authorities signify compliance with stringent quality norms, covering production, storage, and documentation processes. These certifications are recognized globally as markers of manufacturing excellence and patient safety.

EMIL — FDA, CDSCO, GMP, ISO Integrated Management; regulatory approvals in 9 countries including Chile, Nigeria, Ghana, Cambodia, UAE, Sri Lanka, Kenya, and EU.

Globela Pharma Pvt. Ltd. — WHO GMP, EU GMP, National & International GMP, GMP, PQ and CoPP.

NATURAL BIOGENEX PVT LTD — GMP certification from the Drug Controller of Karnataka.

printmann — ISO 15378:2017 and ISO 9001:2015 & BRCGS.

- **FDA & CDSCO (India):** Certify that facilities comply with current Good Manufacturing Practices (cGMP), covering hygiene, documentation, risk management, and product consistency.
- **WHO GMP & PQ (Prequalification):** Enable products to be procured by UN agencies and global health organizations, ensuring access to high-quality medicines in LMICs.
- **EU GMP:** Among the most stringent standards, ensuring consistency in batch quality, impurity profiling, and pharmacovigilance requirements.

- **ISO 15378:2017:** Specific to primary packaging materials (like those made by Printmann), ensuring traceability, contamination control, and product integrity.
- **BRCGS (Brand Reputation Compliance):** Recognized in packaging and consumer safety, reinforcing Printmann's role in global pharma supply chains.

Investing in Advanced Quality Control Infrastructure

In-house quality control (QC) labs are essential for monitoring drug purity, potency, and safety. Somerset companies invest in high-end analytical instruments, automated lab software, and microbiology facilities to test raw materials, intermediates, and finished products. This ensures early detection of deviations, reduces recalls, and strengthens patient trust

EMIL

Quality Control Lab Investment

USD 14k

Quality Control Type

HPLC, GC Instruments, Lab Solution Software, Autoclave

Globela Pharma Pvt. Ltd.

Quality Control Lab Investment

USD 27k

Quality Control Type

20 HPLC

3 GC Instruments

- **HPLC (High-Performance Liquid Chromatography):** Detects impurities and quantifies active pharmaceutical ingredients (APIs) with high precision.
- **GC (Gas Chromatography):** Identifies volatile impurities and solvents in formulations.
- **Microbiology labs & autoclaves:** Test sterility, microbial contamination, and conduct endotoxin checks for injectables.
- **Lab automation software:** Enhances traceability, reduces manual errors, and ensures regulatory-compliant documentation.

Maintaining Minimal Complaints and High Reliability

Low complaint rates and high on-time delivery reflect strong process control and operational discipline. Somerset companies maintain rigorous monitoring systems to prevent quality lapses during manufacturing, storage, or distribution.

No. of complaints

EMIL 0

NATURAL BIOGENEX PVT LTD 1

Globela Pharma Pvt. Ltd. 0

printmann < 1%

Printmann OTIF Delivery Rate:

70%

(9,579 of 13,684 deliveries)

Innovation

Somerset's pharma companies are driving innovation that directly strengthens access to critical medicines, reduces treatment costs, and enhances quality assurance across LMICs and underserved markets. Their innovations span product R&D, process validation, advanced lab infrastructure, and sustainable packaging solutions, ensuring medicines reach patients faster, more affordably, and with assured quality.

Expanding Product Pipelines for Critical Medicines

By developing new formulations and broadening therapeutic portfolios, Somerset-backed companies are addressing gaps in critical and essential medicines, especially for LMIC procurement programs

EMIL

No. of Products Introduced

2

Type of Products

Metformin and Gemfibrozil tablets

Use Case

Expanding access to essential treatments for diabetes and lipid disorders

Globela Pharma Pvt. Ltd.

No. of Products Introduced

3

Type of Products

Febuxostat (gout), Prilocaine (local anesthesia), and Relebactam (antibiotic), strengthening supply of medicines in high-burden therapeutic areas.

Use Case

Strengthening supply of medicines in high-burden therapeutic areas

Investing in R&D and Advanced Quality Systems

Significant investments in R&D infrastructure and process validation enhance both affordability and regulatory compliance, ensuring safe and cost-effective medicines at scale.

Investment in R&D

USD 74k

Type of Investment

R&D covering HPLC instruments, key APIs, process validation batches, and packaging.

Investment in R&D

USD 335k

Type of Investment

R&D lab instruments

Innovating in Sustainable Packaging

Printmann's packaging solutions combine affordability, sustainability, and reliability, improving last-mile access in low-resource settings.

- **Sustainable sourcing:** 70% of packaging materials made from paper and wood, reducing reliance on plastics.
- **Introduction of New liquid packaging:** Gable-top cartons introduced for water, milk, oils, and creams, extending applications to affordable health-related supply chains.

ESG at Somerset

Somerset's portfolio reflects a holistic ESG approach, integrating environmental responsibility, social equity, and governance rigor across healthcare delivery, MedTech, and Pharmaceuticals. Environmental performance highlights the varied operational footprints of these sectors, with higher intensities in energy- and process-driven pharmaceutical manufacturing compared to service-based healthcare delivery. The portfolio has also advanced renewable energy adoption through rooftop solar installations, contributing to significant captive energy generation and corresponding reductions in Scope 2 emissions. Socially, the portfolio emphasizes workforce safety and well-being, supporting safe man-hours alongside strong inclusion of women in healthcare, robust hiring in MedTech, and pay equity in pharmaceuticals. Governance practices remain uniformly strong, with comprehensive codes of conduct and supplier standards embedded across all companies, reinforcing accountability and ethical business conduct.

	Indicator	Healthcare Delivery	MedTech	Pharmaceuticals
Environment	Total Emission Generation Intensity (Scope 1 & Scope 2)	130 tCO2e / USD M	2 tCO2e / USD M	113 tCO2e / USD M
	Scope 1 emission generation intensity	4 tCO2e / USD M	0.2 tCO2e / USD M	27 tCO2e / USD M
	Scope 2 emission generation intensity	126 tCO2e / USD M	1.7 tCO2e / USD M	86 tCO2e / USD M
	Rooftop Solar Installed Capacity	20 KW[85]	-	685 KW[86]
	Captive Solar Energy Generated	14 MWh	-	582 MWh
	Reduction in Scope 2 Emissions	10 tCO2e	-	423 tCO2e
	Waste Generation Intensity	2.2 MT / USD M	0.4 MT / USD M	19.5 MT / USD M
	Water Consumption Intensity	3803 KL / USD M	42 KL / USD M	546 KL / USD M
Social	Jobs Created	7034	1512	1680
	% of New Hires	25%	43%	28%
	% of Women Employees	64%	37%	25%
	Renumeration ratio of women to men	0.77	0.76	0.82
	Total no. of training hours	5420	5133	2521
	% Employees trained on H&S	81%	38%	62%
	Total number of safe man hours (million hours)	6.3[87]	0.7[88]	15.1
Governance	Employee code of conduct	100%	100%	100%
	Supplier code of conduct	100%	100%	100%

[85] Only inclusive of Sterling Hospitals
[86] Only inclusive of EMIL and Globela
[87] Only Considering Apex and Sterling
[88] Only considering Genworks

Environment

GHG Emissions

Somerset recognizes that decarbonizing healthcare industry is not just a matter of compliance, it is integral to sustainable, resilient growth. Globally, the healthcare sector is estimated to account for nearly 4–5% of net greenhouse gas (GHG) emissions, with hospitals, pharmaceutical manufacturing, and medical supply chains being energy-intensive nodes of impact. In this context, Somerset has taken a structured approach to emissions tracking, beginning in this reporting year with comprehensive measurement of Scope 1 and Scope 2 emissions across its portfolio. This baseline is the first step towards identifying high-impact levers for reduction.

The emissions profile varies significantly across subsectors. In pharmaceuticals, Scope 1 emissions are relatively more material due to fuel combustion in boilers, process heating, and solvent recovery, particularly in Active Pharmaceutical Ingredient (API) manufacturing. In contrast, healthcare delivery companies see a heavier tilt toward Scope 2 emissions, as electricity powers hospital infrastructure, imaging technologies and laboratories.

	Healthcare Delivery	MedTech	Pharmaceuticals
Total Emission Generation Intensity (Scope 1 & Scope 2)	130 tCO2e / USD M	2[89] tCO2e / USD M	113 tCO2e / USD M
Scope 1 emission generation intensity	4 tCO2e / USD M	0.2 tCO2e / USD M	27 tCO2e / USD M
Scope 2 emission generation intensity	126 tCO2e / USD M	1.7 tCO2e / USD M	86 tCO2e / USD M

Key Scope 1 Emission Drivers

Scope 1 emissions those arising from on-site fuel use, combustion, and process activities are most consequential in pharmaceutical manufacturing, especially where active pharmaceutical ingredients (APIs) and thermal processes are involved.

Key Scope 2 Emission Drivers

Scope 2 emissions from purchased electricity or energy are the dominant driver in healthcare delivery (hospitals, imaging centers)

[89] Only considering Genworks

GHG Emissions (tCO2e)	Healthcare Delivery		MedTech	Pharma			
	Sterling Hospitals	Apex Hospitals	GenWorks	EMIL	NBPL	Printmann	Globela Pharma Pvt. Ltd.
Total	8,075	3,540	37	681	2,744	520	4,792
Scope 1	170	178	4	668	291	81	1,034
Scope 2	7,905	3,362	32	13	2,454	439	3,757

Healthcare Delivery

In the healthcare delivery sub-sector, hospitals consume vast quantities of electricity to run HVAC systems, imaging machines (MRI, CT), sterilizers, lights, and pumps. As a result, Scope 2 is the heavy share of their carbon footprint.

MedTech

MedTech shows a much lower emissions profile relative to both healthcare delivery and pharmaceuticals. This is because device manufacturing and testing are generally less energy- and fuel-intensive than hospital operations or pharmaceutical production. Additionally, much of MedTech's footprint is linked to controlled environments and cold storage, which, while continuous, do not scale up to the same emissions burden as heavy hospital infrastructure or chemical synthesis.

Pharmaceuticals

Pharmaceutical production, particularly where chemical synthesis, solvent handling, and steam or heating processes are involved, generates nontrivial Scope 1 emissions in addition to electricity consumption. Here the direct combustion of fuels, process heating, boiler use, and fugitive emissions are meaningful contributors.

These patterns reinforce that while Scope 1 mitigation is especially relevant for pharmaceutical players, Scope 2 reduction strategies, focused on energy efficiency and renewable integration, are critical for hospitals and MedTech. To this end, several portfolio companies have already begun adopting emission-reducing initiatives.

Healthcare Delivery

- Sterling Hospitals has secured BEE-certified electrical installations to improve hospital energy performance and reduce energy waste.

MedTech

- GenWorks has embraced a multi-pronged strategy: adopting e-mobility for last-mile delivery, upgrading to energy-efficient cold storage for medical devices, and scaling digital health platforms that lower the need for repeated travel and facility visits.

Pharmaceuticals

- Globela Pharma has installed a 2 MWp ground-mounted solar power plant. Globela Labs has commissioned a 460 kWp rooftop solar installation which generated 375 MWh of captive solar enegry over the year and led to reduction of 273 tCO2e scope 2 emissions.
- Ujala in Panipat has collaborated with logistics providers that deploy electric vehicles, reducing emissions from medical distribution
- Sterling Hospitals has commissioned a 20 kW rooftop solar power plant at its Vadodara unit, which generated 14 MWh of captive solar energy over the year. This clean energy generation led to an estimated reduction of 10 tCO2e, reinforcing the hospital's commitment to sustainable healthcare operations.

Globela has also shifted from individual boilers to a shared steam system to improve thermal efficiency. Its reuse of treated water in cooling towers also indirectly lowers energy intensity by reducing freshwater pumping and treatment needs.

- NBPL has introduced a Zero Liquid Discharge (ZLD) system, ensuring full reuse of wastewater streams—minimizing the energy load from external treatment and disposal, while improving operational efficiency.
- EMIL Pharmaceuticals has commissioned a 225 kW rooftop solar installation at its Palghar unit which generated 207 MWh of captive solar energy and reduced 150 tCO2e in scope 2 emissions, advancing its transition towards cleaner energy.

Taken together, these measures reflect the early but meaningful steps Somerset's portfolio is taking toward decarbonization. By prioritizing renewable energy adoption, energy efficiency upgrades, process optimization in pharmaceuticals, and the electrification of logistics, Somerset is charting a pathway to lower both emissions intensity and absolute emissions across its portfolio companies.

Waste Management

Effective waste management remains a material environmental issue across healthcare delivery, MedTech, and pharmaceuticals. Globally, the healthcare sector generates over 5.2 million tonnes of waste annually (WHO, 2023), with about 15–20% classified as hazardous. In India, the challenge is acute: biomedical waste volumes are growing at nearly 7% CAGR (CPCB, 2022), driven by expanding hospital networks and pharmaceutical production. Poor segregation and disposal can elevate public health risks, environmental contamination, and compliance liabilities. Somerset actively tracks waste generation across its portfolio companies and implements strategies to mitigate environmental impact. Waste generation patterns differ significantly across sectors due to operational processes: Healthcare delivery facilities produce the largest volumes of waste, primarily biomedical, followed by pharmaceuticals and MedTech.

	Healthcare Delivery	MedTech	Pharmaceuticals
Waste Generation Intensity	3.6 MT / USD M	0.4 MT / USD M	19.5 MT / USD M
Waste Generated (MT)	553 MT	17 MT	1508 MT

Waste	Healthcare Delivery			MedTech			Pharmaceuticals	
	Sterling	Apex	Ujala	GenWorks	Cyrix	EMIL	Printmann	Globela
Waste Generation Intensity	2.1 MT / USD M	1.8 MT / USD M	5.6 MT / USD M	0.1 MT / USD M	0.8 MT / USD M	1.7 MT / USD M	78.3 MT / USD M	2.1 MT / USD M
Waste Generated (MT)	125	56	372	15	2	44	1383	81

	Healthcare Delivery	MedTech	Pharmaceuticals
Key Waste Sources	Waste generation in hospitals is largely dominated by biomedical waste, which includes infectious materials, sharps, blood products, PPE, and contaminated disposables. These are produced daily through diagnostics, surgeries, and patient care services. Secondary waste streams include general waste, e-waste, and hazardous chemicals from cleaning and maintenance. The relatively high waste intensity reflects the nature of hospital operations, constant patient inflow, disposable medical supplies, and stringent infection control protocols.	The MedTech sector generates significantly lower waste, primarily composed of packaging materials, electronic waste from devices, and minor biomedical residues from demonstrations or servicing. The low intensity reflects the limited manufacturing footprint and lean operational models.	Pharmaceutical sector largely produces waste due to API synthesis residues, solvents, byproducts, contaminated materials, and packaging waste. Hazardous chemical sludges and solvent residues are significant contributors.

Across the portfolio, companies have implemented a range of interventions focused on waste reduction, segregation, safe disposal, and circularity. These initiatives are designed to improve regulatory compliance, minimize environmental impacts, and reduce operational risks.

Key Mitigation Strategies	**Sterling Hospitals:** • Categorization and disposal of waste per CPCB/GPCB guidelines across five streams: general, biomedical, e-waste, hazardous, and battery waste. **Ujala Hospitals:** • Strict adherence to Biomedical Waste Management Rules (2016), with color-coded segregation, barcoding, and tracking. • Daily waste collection and disposal through authorized CBWTF partners. • Composting of organic waste and collaboration with municipal authorities for non-hazardous disposal. • Reduction of single-use plastics and reuse of packaging materials.	Reduction of packaging waste and responsible e-waste handling in partnership with authorized recyclers.	**Printmann:** • Comprehensive waste management and awareness training for staff to improve segregation and minimize waste generation. **Globela:** • Systematic hazardous waste segregation and safe handling in compliance with regulatory norms. • Maintenance and use of Material Safety Data Sheets (MSDS) for safe storage, use, and disposal of chemicals.

Somerset's portfolio demonstrates a comprehensive approach to waste management - from rigorous segregation and disposal protocols in hospitals to hazardous waste reduction in pharma and packaging minimization in MedTech. While waste intensity remains highest in pharmaceuticals due to inherent process characteristics, targeted interventions such as hazardous waste segregation, renewable energy integration, effluent reuse, and strict BMW compliance are steadily reducing environmental impact. By embedding such practices across its portfolio, Somerset is advancing towards a more resource-efficient, compliant, and sustainable healthcare ecosystem.

Water & Waste - Water Management

Water scarcity is a critical environmental risk globally, with healthcare recognized as both a high consumer and high polluter of freshwater resources. According to the World Bank, India is among the top 13 countries facing extreme water stress, and industrial use, including pharmaceuticals, healthcare, and MedTech, is a growing contributor. WHO further notes that healthcare facilities often lack adequate wastewater treatment systems, leading to direct discharge of pollutants such as pathogens, pharmaceuticals, and chemicals into ecosystems, amplifying environmental and health risks.

Against this backdrop, Somerset's portfolio companies have recognized the importance of efficient water management and wastewater treatment. The data highlights that healthcare delivery shows high water consumption intensity due to patient care and facility needs, Pharma is driven by process water use, while MedTech consumption is comparatively minimal.

	Healthcare Delivery	MedTech	Pharmaceuticals
Water Consumption Intensity	3803 KL / USD M	42 KL / USD M[89]	546 KL / USD M

	Healthcare Delivery	MedTech	Pharmaceuticals
Key Water Consumption & Waste Water Sources	Hospitals are among the largest institutional consumers of water, driven by in-patient services, diagnostic labs, laundries, sanitation, HVAC systems, and food services. High consumption reflects the need for uninterrupted services to patients and strict hygiene protocols. Wastewater streams include effluents from clinical processes, laboratories, and general sanitation.	MedTech facilities show low water consumption, as operations are limited to assembly, storage, and logistics rather than manufacturing. Consumption largely stems from office utilities, equipment cleaning, and cooling requirements.	Water demand is driven by manufacturing, chemical processing, solvent recovery, cooling, and cleaning requirements. Wastewater streams are more complex due to contaminants, solvents, and effluents from production.

[89] Only including Cyrix

Across the portfolio, companies have implemented a range of interventions focused on reducing water consumption and reusing waste water:

	Healthcare Delivery	MedTech	Pharmaceuticals
Key Mitigation Strategies	**Ujala** has taken a multi-pronged approach to water conservation, across its units: • Efficiency Retrofits: Across hospitals (e.g., Panipat, Amrithdhara, Agra), low-flow faucets, showerheads, and toilets, along with flush-tank adjustments (10L to 5L), have significantly reduced per-capita consumption without compromising hygiene. In some locations, this has driven 30% water savings • Behavioral & Monitoring Measures: Sites such as Varanasi have institutionalized regular water audits and awareness drives, enabling proactive leak detection and efficiency monitoring. • Wastewater Treatment & Reuse: Facilities like Kashipur, Ramavihar, and Moradabad operate Effluent Treatment Plants (ETPs) that treat wastewater for reuse in gardening and cleaning, reducing freshwater draw by ~10% and lowering discharge impacts. **Sterling Hospitals:** By retrofitting fixtures with low-lpm tap aerators and modifying rainwater harvesting pits, Sterling has moved from generic conservation to embedded infrastructure changes, ensuring long-term efficiency gains and replenishing local aquifers.	**GenWorks** integrates water efficiency into broader environmental practices, including energy-efficient cold storage, indirectly reducing process water loads.	**Globela:** Operates a reuse system for ETP-treated water in cooling towers, directly reducing freshwater demand for utilities. This lowers both water consumption and the risk of untreated discharges into local ecosystems. **NBPL:** Has embedded structural innovations into its operations: • Rainwater harvesting systems across facilities reduce dependency on municipal supply and support groundwater recharge. • Adoption of a Zero Liquid Discharge (ZLD) system ensures complete recycling and reuse of wastewater, eliminating harmful discharge into the environment • Steam condensate recovery systems capture process water for reuse, simultaneously reducing both water demand and energy consumption.

Somerset's portfolio illustrates a strong recognition of water as a material sustainability issue. Hospitals are deploying audits, low-flow fixtures, and reuse systems to reduce demand, while pharmaceutical companies are investing in advanced wastewater treatment and recycling technologies such as ZLD and condensate recovery. MedTech firms, though low in absolute consumption, are embedding conservation and compliance measures to maintain efficiency. Together, these initiatives strengthen long-term resilience to water stress and align with both national regulations and global sustainability standards.

Social

Job Creation

Employment generation is a critical channel through which Somerset's portfolio companies contribute to inclusive socio-economic development. The healthcare sector is among India's largest employers, accounting for over 7% of the nation's workforce and projected to generate 12 million additional jobs by 2030 as demand for care, diagnostics, and manufacturing accelerates (NITI Aayog, 2021). Against this backdrop, Somerset's portfolio companies are actively creating both direct and in-direct employment opportunities while fostering upskilling.

	Healthcare Delivery	MedTech	Pharma
Jobs Created	**7034**	**1512**	**1680**
% of New Hires	**25%**	**43%**	**28%**
Total no. of job-related training hours	**5420**	**5133**	**2521**
% of Contractual Employees	**24%**	**41%**	**28%**

	Healthcare Delivery			MedTech			Pharma			
	Sterling	Apex	Ujala	GenWorks	Cyrix	Browndove	EMIL	NBPL	Printmann	Globela
Jobs	**2253**	**1407**	**3375**	**299**	**913**	**300**	**567**	**188**	**337**	**588**
New Jobs	**18%**	**42%**	**22%**	**11%**	**58%**	**-**	**27%**	**36%**	**12%**	**37%**

Health & Safety

Ensuring health and safety is a cornerstone of Somerset's commitment to responsible investing and sustainable growth. In the healthcare sector, safety is not only a regulatory requirement but a moral imperative, protecting patients, employees, and communities alike. Globally, unsafe care is among the top 10 causes of death and disability, and in India, hospitals are recognized as high-risk environments, with patient harm rates significantly higher in outpatient and inpatient settings[90, 91].

Somerset's portfolio companies embed rigorous health and safety practices aligned with NABH standards and WHO Patient Safety Goals, focusing on workplace safety, infection control, and emergency preparedness. This includes structured training programs, compliance with occupational safety norms, and continuous monitoring of safe manhours to minimize risks.

[90] Source: https://www.who.int/news-room/fact-sheets/detail/occupational-health--health-workers#:~:text=Globally%2C%20improving%20health%2C%20safety%20and,workforce%20management%20and%20environmental%20sustainability."Occupational health: health workers

[91] Source: https://www.ilo.org/topics-and-sectors/safety-and-health-work"Safety and health at work | International Labour Organization

	Healthcare Delivery		MedTech	Pharma			
	Sterling Hospitals	Apex Hospitals	GenWorks	EMIL	NBPL	Printmann	Globela
Safe Manhours (in million hours)	3.4	2.9	0.7	13.4	0.2	0.3	1.2
No. of training hours on H&S (hours)	437	1246	414	554	136	1136	449
% of Employees Trained on H&S	100%	89%	38%	37%	72%	-	76%

Somerset's portfolio companies recorded over **20 million safe manhours,** led by EMIL and Sterling, alongside **10,000+ hours of H&S training.**

Women Inclusion

Globally, women make up 70% of the healthcare workforce but hold only 25% of leadership roles (WHO, 2022). In India, female labour force participation remains low at 37% (World Bank, 2023), yet healthcare provides above-average opportunities for women, particularly in nursing, allied health, and community-facing roles. Closing the gender gap in senior leadership and technical fields remains critical for equity and resilience in the sector.

Somerset's portfolio companies are helping close this gap by enabling inclusion at all levels. Women are not only well-represented in frontline clinical and support roles but are also progressively moving into managerial, technical, and leadership positions. The companies foster this inclusion by ensuring equitable pay structures, offering career progression pathways, and building safe and supportive workplaces. Together, these measures contribute to stronger gender balance across the value chain and help advance equity in the healthcare ecosystem.

	Healthcare Delivery	MedTech	Pharma
No. of Women Employees	4488	565	457
No. of Women in Senior Management	49	7	10
% of Women Employees	64%	37%	25%
Renumeration ratio of women to men	0.77	0.76[92]	0.82

[92] Excluding Browndove

In India, women in the health and wellness sector earn on average 24 % less than men[80], according to a joint WHO-ILO analysis. Against this backdrop, Somerset's portfolio shows comparable parity in its healthcare delivery companies, women's remuneration averages 77 % of men's, matching the national sector benchmark. In MedTech, women earn about 76 %, again closely aligned with industry trends. In contrast, Somerset's pharma entities surpass parity, with women earning on par with men—a notable outlier. Meanwhile, individual companies like Printmann (1.08) and Globela (1.22) report women earning more than men, highlighting that gender pay equity is achievable even in challenging environments. This alignment with national norms in Healthcare Delivery and MedTech, coupled with outperformance in pharma, suggests Somerset is positioning its companies not just to keep pace with sector benchmarks but to push them upward, turning normative gaps into opportunities for leadership in inclusion.

	Healthcare Delivery			MedTech		Pharma			
Renumeration ration of women to men	Sterling	Apex	Ujala	GenWorks	Cyrix	EMIL	NBPL	Printmann	Globela
	0.71	0.80	0.84	0.78	0.74	0.81	0.42	1.08	1.22

Governance

Strong governance frameworks are essential for ensuring accountability, safeguarding stakeholder trust, and driving long-term sustainability. In the healthcare sector, governance standards are particularly critical given the sensitivity of patient data, the complexity of supply chains, and the centrality of employee well-being. Somerset's portfolio companies demonstrate a clear commitment to robust governance by adopting policies that protect customers, strengthen supplier practices, and uphold employee rights and welfare.

	Policies	Sterling	Apex	Ujala	Cyrix	GenWorks	EMIL	NBPL	Pritnmann	Globela
Customer	Customer data privacy and integrity	✓	✓	✓	Initiated FY25-26	✓	✓	X	✓	✓
	Cyber security policy	✓	✓	✓	Initiated FY25-26	✓	✓	✓	✓	✓
Supplier	Supplier code of conduct	✓	✓	✓	✓	✓	✓	X	✓	✓
	Supplier code of conduct with environmental and social clauses	✓	✓	✓	Initiated in the FY25-26	✓	✓	✓	✓	✓
Employees	OHS MS	✓	✓	✓	Initiated FY25-26	✓	✓	✓	X	✓
	Policy for workers' rights to freedom of association and collective bargaining	✓	✓	✓	-	✓	✓	✓	✓	✓
	Child labor policy	✓	✓	✓	-	✓	✓	✓	✓	✓
	Surveys to measure employee satisfaction relating to job roles, work environment and management quality	✓	✓	✓	-	✓	✓	X	✓	✓
	Employee grievance redressal policy	✓	✓	✓	Initiated FY25-26	✓	✓	✓	✓	✓
	Employee code of conduct	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Maternity leave / benefit policy	✓	✓	✓	✓	✓	✓	✓	✓	✓

Somerset's portfolio companies maintain strong governance systems to protect patients and employees. Apex Hospitals enforces patient rights through clear policies, visible communication, and a robust grievance mechanism, while ensuring safety via emergency protocols, fire systems, and regular mock drills. Ujala prioritizes workforce well-being with health check-ups, vaccination drives, ergonomic assessments, and counseling support. These measures reflect a culture of transparency, preparedness, and zero tolerance for safety lapses. Together adoption of these policies demonstrates Somerset's portfolio-wide emphasis on transparency, responsibility, and ethical business conduct, creating a strong governance foundation that supports both business resilience and stakeholder confidence.

Supplier Governance and Responsible Sourcing

Somerset's portfolio companies have established strong supplier governance systems that emphasize ethics, sustainability, and local engagement. All portfolio companies have adopted supplier codes of conduct, and most have embedded environmental and social clauses, ensuring supplier practices align with broader ESG standards. Beyond compliance, companies are actively building more resilient supply chains by integrating ESG policies into procurement processes, engaging local vendors (including MSMEs), and leveraging digital platforms for supplier evaluation and capacity building. These efforts not only strengthen business continuity but also reinforce Somerset's commitment to inclusive and sustainable growth through its supply chains.

100%
of companies have a supplier code of conduct.

~77%
of companies include environmental and social clauses

Key Company Highlights

Sterling HOSPITALS
ESG policy embedded in purchase order annexures; sustainable procurement practices.

APEX HOSPITALS
Strategic sourcing frameworks, vendor-managed inventory, and group purchasing for efficiency and resilience.

Ujala Cygnus HEALTHCARE SERVICES
Maintains a comprehensive local supplier database across categories (pharmaceuticals, consumables, services).

CYRIX HEALTH CARE PVT LTD
Mandates supplier evaluation before onboarding.

GEN WORKS NEXT GenWorks
Uses GenVCare to engage tier 2 and 3 suppliers for rural device deployment and training.

printmann
Maintains supplier directories and local networks.

EMIL NBPL NATURAL BIOGENEX PVT LTD
Implement vendor qualification processes to standardize supplier engagement.

Globela® Pharma
Formal vendor qualification procedure; **30% of total purchases sourced from MSMEs.**

Occupational Health and Safety (OHS) Governance & Initiatives

Somerset portfolio companies prioritize the health, safety, and well-being of their employees across all sectors. OHS initiatives range from pre-employment medical screenings, regular health check-ups, and immunizations to stress management, emergency preparedness, and workplace safety assessments. Companies follow local regulations, international standards including ILO guidelines, and sector-specific best practices to mitigate workplace risks and promote employee wellness. Across healthcare delivery, MedTech, and pharma subsectors, employees benefit from both preventive and responsive health measures, creating safer and more resilient workplaces.

Subsector	Companies	Key OHS Focus Areas
Healthcare Delivery	Apex Hospitals, Ujala Cygnus, Sterling Hospitals	Pre-employment medical screening, PPE and immunization programs, health check-ups, emergency care, ergonomic evaluations, counseling support, workplace safety assessments.
MedTech	CYRIX Health Care Pvt Ltd, GenWorks	Health check-ups, awareness programs, health insurance, wellness programs, travel and medical support, health-focused employee training.
Pharmaceuticals	Printmann, EMIL, Natural Biogenex Pvt Ltd, Globela® Pharma	Pre-employment and annual medical check-ups, first aid facilities, emergency care, health insurance, workplace risk assessments, hazard identification, compliance with Factories Act and ILO guidelines.

Key Company Highlights

Sterling Hospitals	Operates a group medical policy covering all employees and strictly follows ILO regulations. PPE and immunizations are provided for clinical staff to mitigate infection risks.
Apex Hospitals	Conducts pre-employment medical checks, provides PPE, immunizations (Hepatitis B for patient-facing staff), and maintains workplace safety protocols.
Ujala Cygnus	Offers comprehensive occupational health services including regular health check-ups, vaccination drives, counseling, ergonomic evaluations, health awareness programs, and immediate medical support for workplace injuries.
Globela® Pharma	Implements a structured OHS framework including pre-employment medical exams, periodic health checks per Factories Act, hospital tie-ups, emergency training, first aid, hazard identification, risk assessments, MSDS compliance, and record-keeping in line with ILO guidelines.

Way Forward

Somerset Indus Capital Partners has continually evolved its approach to impact over the past 12 years, moving from a foundational focus on expanding access to healthcare to a fully integrated impact management system that drives fund strategy, portfolio decisions, and measurable health outcomes. While early efforts concentrated on infrastructure expansion, patient coverage, and geographic reach, our current and forward-looking strategy embeds impact into the very fabric of investment decision-making, operational oversight, and value creation.

Phase	Investment	Indicator / Measurement Focus
Phase 1: Access Focus (2011–2019)	Investments prioritized expanding physical access to healthcare in underserved regions across India.	• Foundational Indicators: - Number of patients served - Hospital beds installed - Geographic footprint expanded
Phase 2: Five Pillars Framework (2020–2024)	Recognizing the complexity of healthcare delivery, Somerset introduced the Four Pillars of Impact	• Impact framework focusing on: - Accessibility - Affordability - Quality of care - Innovation - Job creation • Embedded standardized IRIS+ metrics and impact scorecards. • Developed a proprietary portfolio scoring methodology. • Began aligning impact goals with commercial strategy and investment decision-making.
Phase 3: Integrated Impact System (2025 onwards)	Impact measurement is an embedded operating system integrated into Somerset's fund strategy, due diligence, value creation plans, and stakeholder reporting.	• Adoption of the "ABC" Framework (Avoid Harm, Benefit Stakeholders, Contribute to Solutions – per Impact Management Norms) • Gender Equity and Climate Resilience Integration via the 2X Challenge, IRIS+ SDG indicators, and climate-health overlays • Dynamic Impact Scoring Models that inform both pre-investment screening and post-investment TA priorities • Implementation of Impact-Linked Incentives in select portfolio companies to align leadership KPIs with measurable outcomes • Enhanced Stakeholder Engagement including transparent LP reporting, alignment with DFI standards (OPIM, IFC PS), and thematic deep dives (e.g., women's health, diagnostics, climate-health)

Somerset Fund III: Scaling Impact Through Systemic Levers

Somerset believes that transforming healthcare in India and the Global South requires addressing not only access gaps, but also the systemic, environmental, and social enablers of health equity. Looking forward, Somerset aims to deepen measurable impact through its fund III investments that demonstrate operational credibility, systems-level thinking, and the ability to scale sustainably. Somerset Fund III's impact strategy is driven by five cross-cutting Impact Accelerators. These accelerators are not standalone themes; they represent systemic levers embedded across the DMMR investment framework—Define, Measure, Monitor, Report. Each accelerator amplifies impact at the portfolio level, aligns with national and global priorities, and strengthens resilience in India's evolving healthcare landscape. Together, they shape a differentiated, future-forward investment strategy designed to generate measurable, scalable, and policy-aligned outcomes.

Somerset Fund III accelerates this vision through five cross-cutting Impact Accelerators, which amplify systemic impact across the portfolio:

Somerset's Impact Accelerators

To move beyond baseline ESG, we deploy five Impact Accelerators that amplify systemic value and future-proof healthcare transformation.

1. **Access Edge:** Facilitating healthcare market penetration in under-served geographies through infrastructure expansion and public-payer integration. Investments under this accelerator prioritize critical care, diagnostics, and specialist services in Tier 2/3 and Aspirational Districts.
   - Key Investment Signals:
   - 50%+ capital deployment in underserved regions
   - High PMJAY/state insurance alignment
   - Hospital and diagnostic expansion in low-access zones
2. **Equi-Care Engine:** Driving gender-inclusive healthcare delivery models by integrating DEI principles across ownership, operations, and services. Aligned with the 2X Challenge, this accelerator supports enterprises that champion women in leadership and deliver gender-responsive care.
   - Key Investment Signals:
   - 25%+ female workforce across portfolio
   - 2X-aligned fund metrics and DEI governance
   - Gender-specific health service innovation (e.g., maternal and reproductive care)
3. **Green Health Lever:** Promoting climate-resilient healthcare through energy efficiency, waste reduction, and local sourcing. This accelerator supports facilities and manufacturers committed to green operations and environmental accountability.
   - Key Investment Signals:
   - Integration of solar and renewable energy
   - Green chemistry in APIs and formulations
   - Carbon tracking and resource-efficient facilities
4. **Digital Reach Driver:** Scaling quality healthcare delivery through technology-enabled solutions. This accelerator targets platforms with strong digital infrastructure, AI diagnostics, and integration with national digital health initiatives.
   - Key Investment Signals:
   - Telemedicine and hub-and-spoke models
   - AI-based diagnostics and decision-support tools
   - NDHM/ABDM interoperability and EMR adoption
5. **Trust at Scale:** Institutionalizing quality, compliance, and ethical governance as foundations for scale. This accelerator ensures alignment with both Indian and international standards across all healthcare segments.
   - Key Investment Signals:
   - Accreditation: NABH, WHO-GMP, ISO, GLP
   - SOPs for clinical and operational governance
   - DFI-aligned ESG, anti-bribery, and audit protocols

Somerset believes that Healthcare transformation in India will not happen through incrementalism. It requires patient capital, bold operators, and deep contextual expertise. Somerset, it is not just investing in businesses, they are investing in the infrastructure of dignity, resilience, and health equity

Annexures

Abbreviations

₹	Indian Rupees
$	United States Dollar
AI	Artificial Intelligence
AMI	Acute Myocardial Infarction
AMTZ	Andhra Pradesh MedTech Zone
API	Active Pharmaceutical Ingredient
AUM	Assets under Management
AV Fistula	Arteriovenous Fistula
B	Billion
BEMP	Biomedical Equipment Training Program
BPL	Below Poverty Line
BRCGS	Brand Reputation through Compliance Global Standards
CAGR	Compound Annual Growth Rate
CAP	College of American Pathologists
CapEx	Capital Expenditure
CDSCO	Central Drugs Standard Control Organization
CDMO	Contract Development and Manufacturing Organization
CHC	Community Healthcare Center
CO2	Carbon Dioxide
CRO	Contract Research Organization
CSR	Corporate Social Responsibility
CT	Computed Tomography
CVS	Cyclic Vomiting Syndrome
DALY	Disability-Adjusted Life Year
DH	District Hospital
ECHO	Echocardiography
E&S	Environmental and Social
ERPC	Endoscopic Retrograde Cholangiopancreatography
ESG	Environment Social Governance
ESAP	Environmental and Social Action Plan
EU GMP	European Union Good Manufacturing Practices
FY	Financial Year
GBD	Global Burden of Disease
GC	Gas Chromatography
GE	General Electronics
GHG	Green House Gases
GIIN IRIS+	Global Impact Investing Network (GIIN)'s Impact Reporting and Investment Standards-plus
GRI	Global Reporting Initiative
GWSO	GenWorks Solutions OEM
HD Catheter	Hemodialysis catheter
HPLC	High-Performance Liquid Chromatography
ICU	Intensive Care Unit
ICH	International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use.
IFC PS	International Financial Corporation Performance Standards
INR	Indian Rupees
IPD	Inpatient Department
ISO	International Organization for Standardization
IVD	In Vitro Diagnostics
IVF	In Vitro Fertilization
LASER	Light Amplification by Stimulated Emission of Radiation
LIMS	Laboratory Information Management Systems
LINAC	Linear Accelerator
LIS	Laboratory Information Systems
LMIC	Low- and Middle-Income Countries
MAA Yojana	Mukhyamantri Amrutum Yojana
MC	Medical College
MedTech	Medical Technology
M	Million
MOIC	Multiple on Invested Capital
MRI	Magnetic Resonance Imaging
NABH	National Accreditation Board for Hospitals and Healthcare Providers
NABL	National Accreditation Board for Testing and Calibration Laboratories
NAFDAC	National Agency for Food and Drug Administration and Control (Nigeria)
NBPL	Natural Biogenex Private Limited
NCDs	Non-Communicable Diseases
NICU	Neonatal Intensive Care Unit

NMRA	National Medicines Regulator Authority (Sri Lanka)
OEM	Original Equipment Manufacturer
OOP	Out of Pocket
OPD	Outpatient Department
OpEx	Operational Expenses
OT	Operation Theatre
OTC	Over the Counter
PACS	Picture Archiving and Communication System
PET Scan	Positron Emission Tomography Scan
PHC	Primary Healthcare Center
PM-JAY	Pradhan Mantri Jan Arogya Yojana
PPB	Pharmacy and Poisons Board
PPP	Public Private Partnership
PSAT	Patient Safety Assessment Tool
PTCA	Percutaneous Transluminal Coronary Angioplasty
QA	Quality Assurance
QC	Quality Control
R&D	Research and Development
RGHS	Rajasthan Government Health Scheme
RO	Reverse Osmosis
SASB	Sustainability Accounting Standards Board
SKU	Stock Keeping Unit
SLA	Service Level Agreement
SME	Small and Medium Enterprises
TB	Tuberculosis
tCO_2e	Tonnes of CO2 Equivalent
TMT	Treadmill Test
UAE MOH	United Arab Emirates Ministry of Health and Prevention
UN SDG	United Nations Sustainable Development Goals
UPHC	Urban Primary Healthcare Center
USD	United States Dollar
US FDA	United States Food and Drug Administration
USG	Ultrasonography
WHO GMP	World Health Organization's Good Manufacturing Practices

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Methodology of Impact Analysis

The methodology for this assessment was designed to strengthen Somerset's impact framework and Management Information System (MIS) by aligning with internationally recognized approaches, including the Impact Management Project (IMP) framework, the UN Sustainable Development Goals (SDGs), and GIIN's IRIS+ metrics. The process was structured across three phases: design, data collection and analysis, and reporting. Complementary methodologies were developed for health impact (DALY calculations) and GHG emissions accounting, ensuring comparability with global best practice standards.

Phase 1: Design

Framework refinement

Reviewed Somerset's impact framework and MIS to identify gaps and opportunities for alignment with global standards

Outcome focus

Incorporated outcome-level measures across five IMP themes: accessibility, quality, affordability, innovation, and job creation

Standards mapping

Indicators mapped to relevant IRIS+ metrics and SDG targets to ensure international comparability

Sampling & tools

Developed sampling protocols and data collection tools. The sample covered a cross-section of 11 portfolio companies spanning healthcare providers, diagnostics, pharmaceuticals, and health-tech

MIS strengthening

Refined requirements to enhance tracking of outcome indicators and integration of Scope 1 and Scope 2 emissions data

Phase 2: Data Collection and Analysis

Qualitative and Quantitative Data

- Conducted interviews with employees and healthcare providers using purposive sampling across 3–4 subsectors (2–3 interviews each)
- Transcribed and thematically analyzed interviews; triangulated insights with MIS data to build case studies

Analytical Framework

- Applied IMP's five dimensions:
  - **What:** Outcomes being generated
  - **Who:** Stakeholders affected and their needs
  - **How much:** Scale, depth, and duration of impact
  - **Contribution:** Additionality from Somerset's support
  - **Risk:** Likelihood of deviations from expected impact

MIS Data Integration

- Consolidated portfolio-level inputs/outputs.
- Calculated Scope 1 and Scope 2 GHG emissions using the refined MIS and cross-verified with company data.

DALY Methodology and Approach

Scope of Engagement

ERM was engaged to create a standardized approach for estimating the health impact of Somerset's hospital portfolio in terms of Disability-Adjusted Life Years (DALYs) averted, with a focus on ischemic heart disease (IHD), specifically Acute Myocardial Infarction (AMI), across Apex, Sterling, and Ujala hospitals.

Key Definitions

- DALYs = YLL (Years of Life Lost) + YLD (Years Lived with Disability)
- DALYs averted = healthy life years saved due to treatment compared to no treatment

Data Inputs

- Hospitals: Number of AMI patients, demographics (mean age ~54–55 years), in-hospital/30-day mortality
- External sources:
  - Life expectancy at mean age (~25 years, SRS Abridged Life Tables 2016–20)
  - Disability weights (GBD 2019: stable angina = 0.07; post-MI heart failure = 0.21)
  - Mortality without treatment (~20% at 30 days, Indian STEMI Registry)
  - Complications prevalence (with treatment: ~20% angina, 15% heart failure; without: 40% angina, 25% heart failure)

Calculation Approach

- Define cohorts: AMI patients = treatment group
- Estimate outcomes with treatment (from hospital data)
- Estimate outcomes without treatment (counterfactual, using Indian STEMI registry + GBD)
- Calculate YLL = deaths × life expectancy
- Calculate YLD = survivors with complications × disability weight × 5 years (fixed duration)
- Total DALYs = YLL + YLD (with vs. without treatment)
- DALYs averted = counterfactual DALYs – treatment DALYs

Assumptions & Limitations

- Counterfactuals based on national datasets; may not reflect local catchments
- Disability duration fixed at 5 years for comparability
- Hospital mortality used as proxy for 30-day mortality
- India life tables preferred over global averages
- Scope limited to AMI cases (other services excluded)
- Ujala Cygnus data restricted to 4 units (Moradabad, Kashmir, Haldwani, Kaithal)

GHG Methodology and Approach

Scope of Engagement

ERM developed a standardized GHG emissions inventory for Fund II portfolio companies, covering healthcare delivery, MedTech manufacturing, diagnostics, and pharmaceuticals. The objective was to quantify Scope 1 and Scope 2 emissions using the GHG Protocol and ISO 14064-1:2018 standards.

Scope 1 Emissions (direct)

- Stationary combustion: boilers, generators, furnaces
- Mobile combustion: company-owned vehicles
- Fugitive emissions: refrigerant leaks from HVAC/cooling
- Gases included: CO_2, CH_4, N_2O (IPCC AR6 GWPs applied)
- Emission factors: IPCC 2006 Guidelines, updated with AR6 GWPs; supplemented with local factors where required

Scope 2 Emissions (indirect)

- Electricity purchased from the grid
- Steam purchased externally for heating/cooling.
- Emission factors:
  - CEA (India) grid average factor for electricity
  - worldsteel CO_2 Data User Guide for steam

Calculation Approach

- Stakeholder engagement: Facility managers and sustainability leads consulted
- Data collection: Customized templates captured monthly fuel, electricity, and steam usage
- Validation & cleaning: Units standardized; errors corrected; conservative assumptions applied for data gaps (e.g., default R-32 refrigerant for Emil and Globela)
- Emissions calculation:
  - Scope 1 = activity × emission factors × GWPs
  - Scope 2 = purchased energy × emission factors
- Documentation: Assumptions, data sources, and results systematically recorded; results reported in tCO_2e, disaggregated by source

Assumptions & Limitations

- Only Scope 1 and 2 emissions included; Scope 3 excluded in this phase.
- Data gaps addressed via conservative assumptions.
- Reliance on company self-reporting introduces potential margin of error.
- R-32 refrigerant assumption for two facilities.

Phase 3: Reporting and Design

- Developed a detailed wireframe for the Impact Report, ensuring each theme was supported by data and case studies
- Final outputs included: portfolio overview, methodology, results across five IMP themes, SDG/IRIS+ mapping, GHG analysis, and stakeholder case studies

Cross-Cutting Features

- Global alignment: Ensured credibility and comparability with international standards
- Triangulation: Strengthened robustness through multiple data sources (MIS, interviews, emissions, registries)
- Stakeholder-centred: Focused on outcomes for directly affected populations, especially underserved groups

Limitations and Caveats

- Purposive sampling may not fully represent all stakeholder experiences
- Reliance on self-reported company data introduces reporting bias risks
- Limited interviews conducted due to availability constraints
- Desk-based analysis has been undertaken for Krsnaa Diagnostics; and limited analysis for Browndove
- Emissions assessment restricted to Scope 1 & 2; Scope 3 not included
- External factors (policy, market dynamics, health system constraints) may influence outcomes, limiting direct attribution to Somerset
- Exited companies (Sandor Medicaids, Express Clinics, Prognosys, Chayagraphics Healthcare, Hexagon Nutrition) excluded from scope
- All data is reported as of 31 March 2025

Lives Touched Approach

Scope of Engagement

A standardized "Lives Touched" model was developed to estimate the lives impacted annually. The analysis distinguishes between:

- **Direct Lives Touched:** Individuals directly reached through healthcare delivery and diagnostics services (e.g., patients receiving treatment or diagnostic support through clinics, laboratories, or hospitals)
- **Indirect Lives Touched:** Individuals reached through products or technologies supplied to the healthcare ecosystem, including MedTech and pharmaceutical products
  - For MedTech companies, the "lives touched" data were obtained directly from company disclosures, internal records, or verified website information
  - For pharmaceutical companies (excluding Printmann), the number of lives touched annually, was calculated using guestimates. The assessment covers both formulations (tablets, capsules, and bottles) and API production, with the objective of translating production data into estimated unique patient counts through an assumption-based conversion framework

Calculation Framework for Pharmaceutical

Step 1: Convert production volumes into pill-equivalents

All products were converted to standardized pill-equivalents using the following assumptions:

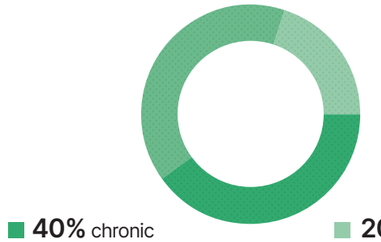
- Bottles = 30 doses per bottle
- Capsules and tablets = 1 pill each
- API → pill conversion: 200 mg API per pill
  All production was assumed consumed in the year (no export, stock, or wastage modelled).

For each company, total pill-equivtalents were computed as:

Total pill-equivalents = (tablets + capsules + [bottles × 30] + [API_mass_mg ÷ 200])

Step 2: Categorize consumption types (40/40/20 split)

Each company's total pill-equivalents were divided across therapeutic categories based on assumed consumption intensity:



Step 3: Estimate unique patients per category

Unique patient counts were derived by dividing pill-equivalents by assumed annual pill consumption per patient for each category:

Category	Assumed consumption rate	Formula
Chronic	1,460 pills/year (4/day)	Chronic unique = chronic pills ÷ 1,460
Short-course	30 pills/year (two 15-pill courses)	Short unique = short pills ÷ 30
Multi-pill	2,190 pills/year (6/day)	Multi unique = multi pills ÷ 2,190

Total unique patients per company = sum of chronic + short-course + multi-pill unique counts.

Step 4: Aggregate portfolio-level totals

The unique patients from all companies were aggregated to estimate total individuals reached ("Lives Touched") across the portfolio.

Assumptions & Limitations

- **Production ≠ consumption:** Estimates assume all manufactured products are consumed domestically within the year; excludes exports and stockpiles
- **Category overlap:** Chronic and short-course users are treated as distinct, though overlap likely exists; actual unique lives may be lower
- **API conversion:** 200 mg/pill assumed average potency; deviation affects derived pill-equivalents
- **Bottle size variability:** 30 doses/bottle standardizes heterogeneous liquid packaging formats
- **Short-course duration sensitivity:** The 30-pill assumption strongly influences total patient counts
- **Temporal scope:** Calculations represent one-year production and consumption; cumulative multi-year impact not assessed

Assessment Framework

Impact Assessment Framework

Sector	Impact Area	Sample Indicators (Illustrative)	Reference Frameworks (IRIS+, SDGs, GRI, SASB, AIMM, LP)
Healthcare Delivery	**Accessibility**	No. of patients served; share of patients from Tier 2/3 cities & rural areas; women & child patients; bed & ICU capacity	IRIS+ PI4060, PI6845, PI8330; SDG 3, 5; GRI 203; SASB HC-DY; AIMM Health
	Affordability	Patients treated under govt. schemes (Ayushman Bharat, CGHS, ESI); free health camps; cost savings per patient	IRIS+ OI8115, PI9622; SDG 3; GRI 203; SASB HC-DY; LP Qs
	Quality	Certified hospitals (NABH/JCI); audit & compliance mechanisms; patient satisfaction & wait times; readmission rates	IRIS+ PI3863; SDG 9; GRI 416; SASB HC-DY, HC-BP; AIMM Health
	Jobs & Workforce	No. of caregivers; proportion women & differently-abled staff; training hours provided	IRIS+ OI3160, OI2444; SDG 3, 5, 8, 10; GRI 401, 405
	Outcomes	Patients completing treatment; surgeries without complications; mortality rates	IRIS+ PI5060, PI3902; SDG 3; AIMM Health
MedTech	**Accessibility**	Devices produced & sold; share of customers in Tier 2/3 cities & LMICs; outreach programs	IRIS+ PI1290, PI7098; SDG 3, 10; GRI 203; SASB HC-BP
	Affordability	Share of devices sold under govt./NGO programs; refurbished/leased equipment supplied; cost-saving measures	IRIS+ PI6050; SDG 3, 9; GRI 416; LP Qs
	Quality & Safety	Certified devices; recalls & customer complaints; product traceability systems	IRIS+ PD2756, PI4128; SDG 9; GRI 416, 417; SASB HC-BP, HC-DI
	Jobs	No. of employees; share of women & differently-abled staff; specialized jobs to underserved groups	IRIS+ OI3160, OI4038; SDG 5, 8, 10; GRI 401, 405
	Outcomes	Clinical improvement rates; time to intervention vs. benchmarks	SASB HC-MS; AIMM Health
Pharmaceuticals	**Accessibility**	Volume/value of medicines produced & sold; share in Tier 2/3, LMICs; WHO-prequalified medicines	IRIS+ PI1263, PI7098; SDG 3, 9, 10; GRI 416; SASB HC-BP
	Affordability	Pricing of generics vs branded; % of revenue from affordable/subsidized products; govt. tender participation	IRIS+ PI8454; SDG 3, 10; GRI 203; LP Qs
	Quality & Safety	Certified facilities; audit results; adverse drug events; recalls	IRIS+ PI3863, PI4128; SDG 9; GRI 416, 417; SASB HC-BP
	Jobs	Employees hired; women & differently-abled in workforce; share of local jobs	IRIS+ OI3160, OI2444; SDG 5, 8, 10; GRI 401, 405
	Outcomes	Treatment adherence rates; DALYs/QALYs averted	AIMM Health
Diagnostics	**Accessibility**	No. of patients/tests conducted; share in Tier 2/3 cities & rural areas; mobile collection centers	IRIS+ PI4060, PI7098; SDG 3, 10; GRI 203; SASB HC-DY
	Affordability	Proportion of tests under govt. schemes/insurance; average cost vs benchmarks; financial assistance programs	IRIS+ PI8454, OI8115; SDG 3; LP Qs
	Quality & Safety	Certified labs; EQAS proficiency scores; error rates; adoption of AI/ML diagnostics	IRIS+ PI3863; SDG 9; GRI 416; SASB HC-DI
	Jobs	No. of employees; women & differently-abled staff; specialized jobs for underserved	IRIS+ OI3160, OI2444; SDG 5, 8, 10; GRI 401, 405
	Outcomes	Early detection rates; referral rates; turnaround time; patient satisfaction/NPS	SDG 3; AIMM Health

ESG Assessment Framework

Pillar	Impact Areas	Representative Indicators	Reference Frameworks (Sample)
Environment	*Certifications & Resource Management*	% of facilities ISO 14001 certified; total hazardous & non-hazardous medical waste; % of waste treated (incinerated, recycled, landfilled); product take-back & recycling (MedTech)	SASB HC-DY-150a.1; IRIS+ OI7442, OI1346
Social – Workforce	*Health, Safety & Training*	TRIR (direct & contract staff); serious injuries, fatalities, lost workdays; H&S training hours; human rights/Code of Conduct training; workforce diversity (gender, disability); turnover by role (execs, managers, physicians, practitioners, etc.)	SASB HC-DY-320a.1; HC-BP-330a.2; IRIS+ OI6525, OI3757, OI7877; GRI 403
Social – Equity & Inclusion	*Workforce Composition & Development*	Gender balance (women/men in workforce, senior management, founders); remuneration equity; parental leave; incidents of discrimination/harassment; skill development training; internal & external grievances; women-focused products/services	GRI 401, 405, 406; IRIS+ workforce metrics
Social – Patients & Customers	*Data Security & Customer Welfare*	Policies on patient data security; number & severity of breaches (personal vs. health data); pricing transparency in healthcare; serious reportable events (Diagnostics); fatalities linked to products (MedTech, Pharma)	SASB HC-DY-230a.3; HC-DY-270a.1; HC-MS-250a.3; HC-BP-250a.2
Governance	*Ethics, Compliance & Transparency*	Monetary losses from fraud, corruption, bribery, false marketing, clinical trial violations; non-compliance in labelling & GMP; counterfeit drug actions; product/service misrepresentation	SASB HC-BP-270a.1; HC-BP-510a.1; HC-BP-250a.5; HC-BP-260a.3
Supply Chain & Sector-Specific	*Supplier Oversight & Sectoral Metrics*	% of facilities & Tier 1 suppliers under third-party audits (MedTech, Pharma Rx-360); inspections of clinical trial safety; # of drugs in portfolio & R&D pipeline (Pharma); # of facilities/beds & occupancy (Diagnostics); # of health workers trained & certified	SASB HC-MS-430a.1; HC-BP-430a.1; HC-BP-210a.2; HC-BP-000.B; HC-DY-000.A

GHG Assessment Framework

Asset Type	Parameter	Unit of Measure (UoM	Impact (Scope)
Healthcare Delivery (Hospitals)	Diesel in DG sets	Litres	Scope-1
	Diesel (company-owned vehicles)	Litres	Scope-1
	Petrol (company-owned vehicles)	Litres	Scope-1
	LPG in canteens	kg	Scope-1
	Refrigerants in HVAC (HFCs/CFCs)	kg	Scope-1
	Purchased Electricity (excl. Renewable)	MWh	Scope-2
	Purchased Renewable Electricity	MWh	Scope-2
	Captive Renewable Electricity	MWh	Scope-2
	CO_2 in fire extinguishers	kg	Scope-1
	Other fuels / sources (if any)	-	Scope-1
Medtech	Diesel in DG sets	Litres	Scope-1
Diagnostics	Diesel in DG sets	Litres	Scope-1
Pharmaceuticals	Diesel in DG sets	Litres	Scope-1

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