RED HERRING PROSPECTUS
Dated: February 08, 2024
Please read Section 26 & 32 of the Companies Act, 2013
(This Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue

ZENITH
CONTRIBUTINGFOR
HEALTH AND WELL BEING

ZENITH DRUGS LIMITED

Corporate Identification Number: U24231MP2000PLC014465

Registered Office	Contact Person	Email and Telephone	Website
K. No. 72 / 5, Village Muradpura, NA Depalpur, Indore-453001, Madhya Pradesh, India.	Ms. Sakshi Bhawsar **Company Secretary and Compliance Officer**	**Email Id:** info@zenithdrugs.com **Tel No:** +91 8435501867	www.zenithdrugs.com

PROMOTERS OF THE COMPANY: MR. SANDEEP BHARDWAJ, MR. BHUPESH SONI AND MR. AJAY SINGH DASSUNDI

DETAILS OF THE ISSUE

Type	Fresh Issue Size (In ₹ Lakhs)	OFS Size (In ₹ Lakhs)	Total Issue Size (In ₹ Lakhs)	Eligibility
Fresh Issue	Upto **51,48,800** Equity Shares amounting to ₹[●] Lakhs.	**Nil**	[●]	**THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229(2) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.**

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDER AND THEIR AVERAGE COST OF ACQUISITION: NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of Equity Shares is ₹10.00 each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price determined and justified by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares by way of the book built process, in accordance with the SEBI ICDR Regulations, and as stated in chapter titled "***Basis for Issue Price***" on page 89 of this Red Herring Prospectus, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and / or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the issue, including the risks involved. The Equity Shares in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section ***"Risk Factors"*** beginning on page 28 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILTY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE or NSE Emerge") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received ***"In-Principle"*** approval from the NSE for using its name in the Issue document for the listing of the Equity Shares, pursuant to letter dated January 03, 2024 letter no NSE/LIST/2912. For the purpose of this Issue, the Designated Stock Exchange will be the NSE Emerge.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
GRETEX **GRETEX CORPORATE SERVICES LIMITED**	Ms. Dimple Magharam Slun	**Email:** info@gretexgroup.com **Tel No.:** +91 96532 49863

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
BIGSHARE SERVICES PRIVATE LIMITED	Mr. Asif Sayyed	**Email:** ipo@bigshareonline.com **Tel:** +91 22 6263 8200

ISSUE PROGRAMME

ANCHOR INVESTOR BID / ISSUE PERIOD	Friday, February 16, 2024 (1)
ISSUE OPENS ON	Monday, February 19, 2024 (2) #
ISSUE CLOSES ON	Thursday, February 22, 2024 (3)

** Subject to finalization of the Basis of Allotment*

(1) *The Company may in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR regulations. The Anchor Investor Bid / Issue Period shall be one Working Day prior to the Bid / Issue Opening Date.*

(2) *Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid / Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*
Since 19th February 2024 is a Bank Holiday on account of "Chhatrapati Shivaji Maharaj Jayanti" in the state of Maharashtra, Hence, Banks will not be working on the said date. However, investors can bid through online portals.

(3) *UPI mandate end time and date shall be at 5:00 pm on the Bid / Issue Closing Date.*

RED HERRING PROSPECTUS
Dated: February 08, 2024
Please read Section 26 & 32 of the Companies Act, 2013
(This Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue

ZENITH
CONTRIBUTINGFOR
HEALTH AND WELL BEING

ZENITH DRUGS LIMITED
Corporate Identification Number: U24231MP2000PLC014465

Our Company was originally incorporated on November 15, 2000 as a Private Limited Company in the name of "Zenith Drugs Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh, Gwalior. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on September 05, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to 'Zenith Drugs Limited' and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 13, 2023 by the Registrar of Companies, Gwalior. For details in relation to the incorporation, Change in Registered Office and other details, please refer to the chapter titled ***"Our History and Certain Other Corporate Matters"*** beginning on page no. 145 of this Red Herring Prospectus.

Registered Office: K. No. 72 / 5, Village Muradpura, NA, Depalpur, Indore-453001, Madhya Pradesh, India.
Contact Person: Ms. Sakshi Bhawsar: **Company Secretary and Compliance Officer**
Email Id: info@zenithdrugs.com; **Tel No:** +91 8435501867; **Website:** www.zenithdrugs.com
OUR PROMOTERS: MR. SANDEEP BHARDWAJ, MR. BHUPESH SONI AND MR. AJAY SINGH DASSUNDI

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO **51,48,800*** EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH ("EQUITY SHARES") OF ZENITH DRUGS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UPTO 8,52,800 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO 42,96,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.02 % AND 25.05 % RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

PRICE BAND: ₹ 75.00 to ₹ 79.00 PER EQUITY SHARE OF FACE VALUE OF ₹ 10.00 EACH AND THE ISSUE PRICE IS 7.5 TO 7.9 TIMES OF THE FACE VALUE AT THE LOWER PRICE BAND AND THE UPPER PRICE BAND RESPECTIVELY. BID CAN BE MADE FOR MINIMUM OF 1,600 EQUITY SHARES AND THE MULTIPLES OF 1,600 EQUITY SHARES THEREAFTER

In case of any revision in the Price Band, the Bid / Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid / Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid / Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the Corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI mechanism, as the case may be, to the extent of respective Bid Amounts, Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see ***"Issue Procedure"*** beginning on page 238 of this Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "***Issue Procedure***" beginning on page 238 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of Equity Shares is ₹10.00 each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price determined and justified by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares by way of the Book building process, in accordance with the SEBI ICDR Regulations, and as stated in chapter titled "***Basis for Issue Price***" on page 89 of this Red Herring Prospectus, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and / or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section ***"Risk Factors"*** beginning on page 28 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILTY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares Issue d through this Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the NSE Emerge.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
GRETEX **GRETEX CORPORATE SERVICES LIMITED** A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai, Mumbai-400013, Maharashtra, India. **Tel No.:** +91 96532 49863 **Email:** info@gretexgroup.com **Website:** www.gretexcorporate.com **Contact Person:** Ms. Dimple Magharam Slun **SEBI Registration No**: INM000012177 **CIN:** L74999MH2008PLC288128	**BIGSHARE SERVICES PRIVATE LIMITED** S6-2, 6th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India **Tel No.:** +91 – 22 – 6263 8200; **Fax No.:** +91 – 22 – 6263 8299 **E-mail**: ipo@bigshareonline.com **Investor Grievance E-mail:** investor@bigshareonline.com **Website**: www.bigshareonline.com **Contact Person**: Mr. Asif Sayyed **SEBI Registration No.:** INR000001385

ISSUE PROGRAMME

ANCHOR INVESTOR BID / ISSUE PERIOD: Friday, February 16, 2024 (1)	ISSUE OPENS ON: Monday, February 19, 2024 (2)#	ISSUE CLOSES ON: Thursday, February 22, 2024 (3)

** Subject to finalization of the Basis of Allotment*

(1) The Company may in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR regulations. The Anchor Investor Bid / Issue Period shall be one Working Day prior to the Bid / Issue Opening Date.

(2) Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid / Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

Since 19th February 2024 is a Bank Holiday on account of "Chhatrapati Shivaji Maharaj Jayanti" in the state of Maharashtra, Hence, Banks will not be working on the said date. However, investors can bid through online portals.

(3) *UPI mandate end time and date shall be at 5:00 pm on the Bid / Issue Closing Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines or policies, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Red Herring Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Listing Regulations, the Depositories Act or the Rules and Regulations made thereunder.

*Notwithstanding the foregoing, terms used in of the sections "**Statement of Possible Tax Benefits**", "**Financial Statements as Restated**", "**Main Provisions of Articles of Association**", "**Basis for Issue Price**", "**Our History and Certain Corporate Matters**", "**Other Regulatory and Statutory Disclosures**" and "**Outstanding Litigations and Material Developments**" on pages 96, 179, 272, 89, 145, 215 and 206 respectively, shall have the meaning ascribed to such terms in the relevant section.*

GENERAL TERMS

Term	Description
"Zenith Drugs Limited", "Zenith", "ZDL", "We" or "us" or "Our Company" or "the Issuer"	Unless the context otherwise indicates or implies, Zenith Drugs Limited refers to, a Public Limited Company incorporated as a Private Limited company under the Companies Act, 1956 and having its Registered Office at K. No. 72 / 5, Village Muradpura, NA, Depalpur, Indore-453001, Madhya Pradesh, India.
Promoter(s) / Core Promoter	The promoters of our Company being Mr. Sandeep Bhardwaj, Mr. Bhupesh Soni and Mr. Ajay Singh Dassundi for further details, please refer to chapter titled "***Our Promoters and Promoter Group***" on page 170 of this Red Herring Prospectus.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled "***Our Promoters and Promoter Group***" on page 170 of this Red Herring Prospectus.

COMPANY RELATED TERMS

Term	Description
AOA / Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of, Zenith Drugs Limited as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled "***Our Management***" beginning on page 149 of this Red Herring Prospectus.
Auditor of our Company / Statutory Auditor	The Statutory Auditors of our Company, being M/s V D S & Co Chartered Accounts holding a valid peer review certificate as mentioned in the section titled "***General Information***" beginning on page 52 of this Red Herring Prospectus.
Banker to our Company	HDFC Bank Limited as disclosed in the section titled **"*General Information*"** beginning on page 52 of this Red Herring Prospectus.
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our directors, please refer to chapter titled "***Our Management*"** beginning on page 149 of this Red Herring Prospectus.
CIN / Corporate Identification Number	U24231MP2000PLC014465
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled "***General Information***" beginning on page 52 of this Red Herring Prospectus.
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled "***General Information***" beginning on page 52 of this Red Herring Prospectus.
Director(s) / our directors	Director(s) of our company unless otherwise specified
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Term	Description
Equity Shares / Shares	The equity shares of our Company of face value of ₹10.00 each unless otherwise specified in the context thereof.
Equity Shareholders / Shareholders	Persons / Entities holding Equity Shares of the Company
Executive Directors	An Executive Director of our Company, as appointed from time to time
Financial Statements as Restated	The financial information of the Company which comprises of the Restated Consolidated Statement of Assets and Liabilities for the period ended on September 30, 2023 and Financial Years ended on March 31, 2023, March 31, 2022 and Restated Standalone Statement of Assets and Liabilities for the Financial Years ended on 2021, the Restated Consolidated Statement of Profit and Loss and the Restated Consolidated Cash Flow Statement for the period ended on September 30, 2023 and Financial Years ended on March 31, 2023, March 31, 2022 and the Restated Standalone Statement of Profit and Loss and the Restated Standalone Cash Flow Statement for the Financial Years ended on 2021, and the related notes, schedules and annexures thereto included in this Red Herring Prospectus, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
Group Companies / Entities	Such companies / entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies / entities, please refer **"*Our Group Companies*"** on page 176 of this Red Herring Prospectus.
HNI	High Networth Individual
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
Indian GAAP	Generally Accepted Accounting Principles in India.
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled ***"Our Management"*** beginning on page 149 of this Red Herring Prospectus.
ISIN	International Securities Identification Number, being INE0QWN01013
IT Act	The Income Tax Act, 1961 as amended till date.
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled "***Our Management***" beginning on page 149 of this Red Herring Prospectus.
Key Performance Indicators / KPI	Key factors that determine the performance of our Company
LLP	Limited Liability Partnership incorporated under Limited Liability Partnership Act, 2008.
MD or Managing Director	The Managing Director of our Company is Mr. Sandeep Bhardwaj
Materiality Policy	The policy on identification of Group Companies, Material Creditors and Material Litigation, adopted by our Board on September 26, 2023, in accordance with the requirements of the SEBI (ICDR) Regulations.
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Non-Executive Director	The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled ***"Our Management"*** on page 149 of this Red Herring Prospectus.
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the chapter titled "***Our Management***" beginning on page 149 of this Red Herring Prospectus.
Registered Office	K. No. 72 / 5, Village Muradpura, NA, Depalpur, Indore-453001, Madhya Pradesh, India.

Term	Description
RoC / Registrar of Companies	3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madhya Pradesh, India.
Senior Management	The officers and personnel of the issuer who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.
Stakeholders' Relationship Committee	The Stakeholder's Relationship Committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the chapter titled "***Our Management***" beginning on page 149 of this Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited.
You or Your or Yours	Prospective Investors in this Issue.

ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allocation / Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue.
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being / have been allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200.00 Lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid / Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bid / Issue Period	One Working Day prior to the Bid / Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager.
Anchor Investor Portion	Upto 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an application during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company.
Application Supported by Blocked Amount / ASBA	An application whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank

Term	Description
	Account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.
ASBA Account	A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII Applicants blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process.
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
Bankers to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled titled "***General Information***" on page no. 52 of this Red Herring Prospectus.
Bankers to the Issue / Refund Banker	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being Axis Bank.
Bankers to the Issue Agreement	Bank which is a clearing member and registered with SEBI as Banker to the Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in **"*Issue Procedure*"** on page 238 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid / Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid / Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid / Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids.
Bid / Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids.
Bid / Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid / Issue Opening Date and the Bid / Issue Closing Date or the QIB Bid / Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding / Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder / Applicant	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.
Bidding	The process of making a Bid.
Book Building Process / Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Gretex Corporate Services Limited, SEBI Registered Category I Merchant Banker.
Bidding / Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of Stock Exchanges (www.bseindia.com and www.nseindia.com) and are updated from time to time.
NSE Emerge or NSE	Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge")
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	Confirmation of Allocation Note / the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.

Term	Description
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Circular's on Streamlining of Public Issues	Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 amended by circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard.
Client ID	Client identification number of the Applicant's beneficiary account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches / Controlling Branches of the SCSBs.	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Applicants with the Registrar to the Issue and Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the Book Running Lead Manager. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details and UPI ID wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act, 1996.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated Market Maker / Market Maker	In our case, Gretex Share Broking Limited having its registered office at A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (West), S V S Marg, Mumbai-400028, Maharashtra India.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and are updated from time to time

Term	Description
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/ or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange / Stock Exchange	Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge").
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated September 30, 2023 filed with the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") in accordance with the SEBI ICDR Regulations.
DP	Depository Participant
DP ID	Depository Participant's Identity number
Eligible NRI	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depositary participants.
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow and Sponsor Bank Agreement	Agreement dated January 24, 2024 entered into amongst the Company, Book Running Lead Manager, the Registrar, the Banker to the Issue and Sponsor bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First / Sole Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fresh Issue	Fresh Issue of upto 51,48,800 Equity Shares of face value ₹ 10.00 each of Zenith Drugs Limited for cash at a price of ₹ [●] per Equity Shares (including premium of ₹ [●] per Equity Shares) aggregating ₹ [●] Lakhs, by our Company.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) page October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, issued by SEBI. The

Term	Description
	General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager.
Issue / Public Issue / Issue size / Initial Public Offer / Initial Public Offering / IPO / Present Issue	Public Issue of upto 51,48,800 Equity Shares of face value ₹10.00 each of Zenith Drugs Limited for cash at a price of ₹ [●] per Equity Shares (including premium of per ₹ [●] Equity Shares) aggregating ₹ [●] Lakh by our Company.
Issue Agreement	The agreement dated September 25, 2023, entered into between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue and addendum to the Agreement dated January 24, 2024.
Issue Closing Date	The date on which the Issue closes for subscription.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which prospective bidders can submit their applications, including any revisions thereof
Issue Price	The Final Price at which Equity Shares will be allotted to ASBA Bidders in terms of the Red Herring Prospectus. The Equity Shares will be allotted to Anchor Investors at Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the Book Running Lead Manager on the pricing date in accordance with the Book Building Process and the Red Herring Prospectus
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled "***Objects of the Issue***" beginning on page 80 of this Red Herring Prospectus
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	The Market lot and Trading lot for the Equity Share is 1,600 and in multiples of 1,600 thereafter; subject to a minimum allotment of 1,600 Equity Shares to the successful applicants.
Market Making Agreement	Market Making Agreement dated September 25, 2023, between our Company, the Book Running Lead Manager and Market Maker and addendum to the Agreement dated January 24, 2024.
Market Maker Reservation Portion	Upto 8,52,800 Equity Shares of ₹10.00 each at ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh reserved for subscription by the Market Maker.
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted Post- Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20% and locked-in for a period of three years from the date of Allotment.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Net Issue	The Issue excluding the Market Maker Reservation Portion of upto 42,96,000 Equity Shares of face value of ₹ 10.00 each fully paid up for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakh by our Company.
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹ 2.00 Lakh (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian / NRI	A person resident outside India, who is a citizen of India, or a Person of Indian Origin as defined under FEMA Regulations, as amended

Term	Description
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue
Pay-in-Period	The period commencing on the Bid / Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ 75.00 and the maximum price (Cap Price) of ₹ 79.00 and includes revisions thereof.
Pricing Date	The date on which our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013.
Public Issue Account	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date.
QIB Category / QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 21,47,200 Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the Book Running Lead Manager), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Bank / Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being Axis Bank.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals.
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated September 25, 2023 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue and addendum to the Agreement dated January 24, 2024.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Retail Individual Investors / RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Issue is not more than ₹ 2.00 Lakh.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.

Term	Description
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SME Exchange	Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge")
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time.
Specified Securities	Equity shares offered through this Red Herring Prospectus.
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the Book Running Lead Manager and / or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the Book Running Lead Manager, Syndicate Members and Sub Syndicate Members
Syndicate Agreement	The agreement dated January 24, 2024 entered into amongst our Company, the Book Running Lead Manager and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members / Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Gretex Share Broking Limited.
Systemically Important Nonbanking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip / TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
SEBI (ICDR) Regulations / ICDR Regulation / Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being Axis Bank.
Underwriter	Gretex Corporate Services Limited and Gretex Share Broking Limited.
Underwriting Agreement	The agreement dated September 25, 2023 entered into between the Underwriters, our Company and the Book Running Lead Manager and addendum to the Agreement dated January 24, 2024.
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022.and any subsequent circulars or notifications issued by SEBI in this regard.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to

Term	Description
	authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.
UPI PIN	Password to authenticate UPI transaction.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Venture Capital Fund / VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (lll) of the SEBI (ICDR) Regulations, 2018.
Working Days	All days on which commercial banks in Indore are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

CONVENTIONAL AND GENERAL TERMS

Term	Description
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
ASBA	Applications Supported by Blocked Amount
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CGST	Central GST
COPRA	The Consumer Protection Act, 1986
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI
DP	Depository Participant
DP ID	Depository Participant's identity number

Term	Description
DTC	Direct Tax Code, 2013
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EBITDA	EBITDA divided by Revenue from Operations
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
Environment Protection Act	The Environment (Protection) Act, 1986
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
e-RUPI	Prime Minister Narendra Modi launched a contactless, prepaid, electronic prepaid system
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI / Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M.Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
Mill & Fill	Removing the existing surface layer with a milling machine and then transporting the material to a storage facility

Term	Description
MSME	Micro, Small and Medium Enterprise
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006
MWA	Minimum Wages Act, 1948
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Networth	The aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets
NI Act	The Negotiable Instruments Act, 1881
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Pcs	Pieces
P/E Ratio	Price / Earnings Ratio
PAN	Permanent account number
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 1976
PAT	Profit after Tax
PAT Margin	PAT for the period / year divided by revenue from operations
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
PPP	Public Private Partnership
Public Liability Act / PLI Act	The Public Liability Insurance Act, 1991
Pvt. / (P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies
ROCE	Return on Capital Employed
ROE	Return on Equity
RONW	Return on Networth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012

Term	Description
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Sec.	Section
SGST	State GST
SHWW / SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful Defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

TECHNICAL / INDUSTRY RELATED TERMS

Term	Full Form
API	Active Pharmaceutical Ingredient
CAGR	Compounded Annual Growth Rate
CC	Commencement Certificate
DIPP	Department of Industrial Policy and Promotion
GDP	Gross Domestic Product
GFC	Global financial Crises
KPI	Key Performance Indicators
M&A	Mergers and Acquisitions
MNCs	Multi-National Companies
NCAER	National Council of Applied Economic Research
OTC	Over the Counter
PE	Private Equity
Pharmexcil	Pharmaceutical Export Promotion Council of India
WHO-GMP	World Health Organization- Good Manufacturing Practices
GMP	Good Manufacturing Practices
GLP	Good Laboratory Certificate
FDA	Food and Drug Administration
LMHRA	Liberia Medicine Health Regulatory Authority

ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year

AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG / LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CCI	The Competition Commission of India
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA / ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
Depository or Depositories	NSDL and CDSL
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPS	Earnings Per Share
EGM / EOGM	Extraordinary General Meeting
NSE Emerge	Emerge Platform of National Stock Exchange India Limited ("NSE Emerge")
ESOP	Employee Stock Option Plan
EXIM / EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange

	Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI / Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / Rupees / Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Networth Individual
i.e.	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
BRLM	Book Running Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
MRP	Maximum Retail Price
NA	Not Applicable
Networth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NOC	No Objection Certificate

NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P / E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Networth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US / United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD / US$ / $	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
VAT	Value Added Tax
w.e.f.	With effect from
YoY	Year over Year

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "Main Provisions of the Articles of Association", ***"Statement of Special Tax Benefits"***, ***"Industry Overview"***, ***"Regulations and Policies in India", "Financial Information of the Company"***, ***"Outstanding Litigations and Material Developments"*** and ***"Issue Procedure",*** will have the meaning ascribed to such terms in these respective sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

In this Red Herring Prospectus, the terms **"we", "us", "our", the "Company", "our Company" and "Zenith", "ZDL"**, unless the context otherwise indicates or implies, refers to Zenith Drugs Limited.

CERTAIN CONVENTION

All references in this Red Herring Prospectus to "India" are to the Republic of India. In this Red Herring Prospectus, our Company has presented numerical information in "lakhs" units. One lakh represents 1,00,000.

FINANCIAL DATA

Unless stated otherwise, the financial data in this Red Herring Prospectus is derived from our Restated Consolidated Financial Statements for the period ended on September 30, 2023 and financial year ended on March 31, 2023, March 31, 2022 and Restated Standalone Financial Statements for the financial year ended on March 31, 2021 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, Guidance Note on ***"Reports in Company Prospectus (Revised 2019)"*** issued by ICAI and the Indian GAAP which are included in this Red Herring Prospectus, and set out in "***Financial Statements as Restated***" on page 179 of this Red Herring Prospectus.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the two decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Red Herring Prospectus.

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that calendar year, so all references to a particular financial year are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between Indian GAAP and IND (AS). Accordingly, the degree to which the Restated Financial Statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, IND (AS), the Companies Act and the SEBI (ICDR) Regulations, on the Restated Financial Statements presented in this Red Herring Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Red Herring Prospectus. You should consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in "***Risk Factors***", "***Our Business***", "***Management's Discussion and Analysis of Financial Position and Results of Operations***" and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled '***Financial Statements as Restated'*** beginning on page 179 of this Red Herring Prospectus

For additional definitions used in this Red Herring Prospectus, see the section "***Definitions and Abbreviations***" on page 4 of this Red Herring Prospectus. In the section titled "***Main Provisions of the Articles of Association***", on page 272 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

CURRENCY AND UNITS OF PRESENTATION

In this Red Herring Prospectus, unless the context otherwise requires, all references to

(a) 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India;

(b) 'US Dollars' or 'US $' or 'USD' or '$' are to United States Dollars, the official currency of the United States of America.

All references to the word 'Lakh' or 'Lakhs', 'Lac' or 'Lacs', means 'One hundred thousand' and the word 'Million' means 'Ten lakh' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One Thousand Million'.

Any percentage amounts, as set forth in "***Risk Factors***", "***Our Business***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and elsewhere in this Red Herring Prospectus, unless otherwise indicated, have been calculated based on our financial statements as restated prepared in accordance with Indian GAAP.

DEFINITIONS

For definitions, please see the Chapter titled ***"Definitions and Abbreviations"*** on page no. 4 of this Red Herring Prospectus. In the Section titled ***"Main Provisions of Articles of Association"*** beginning on page no. 272 of this Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this Red Herring Prospectus has been obtained or derived from Internal Company reports and industry and Government publications, publicly available information and sources. Industry and Government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified either by the Company or the Book Running Lead Manager or any of their respective affiliates or advisors.

Further, the extent to which the industry and market data presented in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI (ICDR) Regulations, ***"Basis for Issue Price"*** on page no. 89 of this Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the Book Running Lead Manager have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in ***"Risk Factors"*** on page no. 28 of this Red Herring Prospectus.

Exchange Rates

This Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

FORWARD LOOKING STATEMENTS

All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "may", "will", "will continue", "will pursue", "contemplate", "future", "goal", "propose", "will likely result", "will seek to" or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the our Sector in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Performance of the Pharmaceuticals industry in India, generally.
- Geographical concentration of business to key cities.
- Failure to obtain, maintain or renew our statutory and regulatory approvals, licenses and registrations required to operate our business.
- Significant increases in prices of, or shortages of, or disruption in supply of labour and key building materials;
- Our reliance on internet network and our ability to utilize systems in an uninterrupted manner;
- Our ability to attract, retain and manage qualified personnel;
- Dependencies on our development partners to fulfil their obligations under the respective joint development agreements;
- Changes in government policies and regulatory actions that apply to or affect our business.
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
- Failure to adapt to the changing scenarios in our industry of operation may adversely affect our business and financial condition;
- General economic and business conditions in India and other countries;

For further discussions of factors that could cause our actual results to differ, please see the section titled "***Risk Factors***", chapters titled "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 28, 111 and 180 of this Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward looking statements reflects views as of the date of the Red Herring Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Book Running Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

SECTION II: SUMMARY OF ISSUE DOCUMENT

A. OVERVIEW OF INDUSTRY

India is the largest provider of generic drugs globally and is known for its affordable vaccines and generic medications. The Indian Pharmaceutical industry is currently ranked third in pharmaceutical production by volume after evolving over time into a thriving industry growing at a CAGR of 9.43% since the past nine years. Generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics are some of the major segments of the Indian pharma industry. India has the most number of pharmaceutical manufacturing facilities that are in compliance with the US Food and Drug Administration (USFDA) and has 500 API producers that make for around 8% of the worldwide API market.

B. OVERVIEW OF BUSINESS

We at Zenith are a reputable pharmaceutical manufacturing unit, dedicated to ensuring the highest quality standards. We are proud to be WHO-GMP compliant, adhering to the stringent guidelines set by the World Health Organization. Our commitment to quality is further demonstrated by our ISO 9001:2015 certification, obtained from a respected Euro-UK certification body. With a diverse portfolio of formulations, we offer a wide range of medicines to meet the needs of patients.

C. OUR PROMOTERS

As on date of filing of Red Herring Prospectus our company is promoted by Mr. Sandeep Bhardwaj, Mr. Bhupesh Soni and Mr. Ajay Singh Dassundi.

D. DETAILS OF THE ISSUE

Equity Shares Offered Present Issue of Equity Shares by our Company.	Issue of upto 51,48,800 Equity Shares of ₹ 10.00 each for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●].
***Out of which*:**	
Market Maker Reservation Portion	Upto 8,52,800 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakh.
Net Issue to the Public	Upto 42,96,000 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh.

E. Object of the Issue

The Net Proceeds of the Issue are proposed to be used in accordance with the details provided in the following table:

(₹ in Lakhs)

Particulars	Amount
Purchase of Machinery & Equipments for Setting up New Unit	1,060.99
Existing Manufacturing Block Upgradation	210.59
Working Capital Requirements	1200.00
General Corporate Purposes	[●]
Total	[●]

F. PRE - ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

Category of Promoter	Pre – Issue	
	No. of Shares	As a % of paid-up Equity Capital
1. Promoter	1,09,89,960	91.58
2. Promoter Group	10,10,040	8.42

G. SUMMARY OF RESTATED FINANCIAL INFORMATION

(₹ in Lakhs)

Particulars	For the period ended on	For financial year ended on		
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	Consolidated	Consolidated	Consolidated	Standalone
Share Capital	1,200.00	40.00	40.00	40.00
Reserves and surplus	1,064.96	1,684.42	1,169.09	855.27
Networth	2,264.96	1,724.42	1,209.09	895.27
Total Income	6,948.43	11,569.65	9,266.63	7,351.57
Profit after Tax	540.55	515.33	313.82	302.92
Total Borrowings	2,902.81	2,605.03	1,880.86	1,548.11
Other Financial Information				
Basic & Diluted EPS (Post Bonus) (₹)	4.50	4.29	2.62	2.52
Return on Networth (%)	23.87	29.88	25.96	33.84
Net Asset Value Per Share (Pre-Bonus) (₹)	18.87	431.10	302.27	223.82
Net Asset Value Per Share (Post Bonus) (₹)	18.87	14.37	10.08	7.46

H. QUALIFICATION OF THE AUDITORS

The Auditor report of Restated Financial Statements of our Company does not contain any qualification which have not been given effect to in Restated Financial Statements.

I. SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

Nature of Cases	Number of Cases	Amount Involved (in Rs.)*
Issuer Company		
E-Proceedings	9	Not Ascertainable
Outstanding Demand	5	23,03,012
TDS Default	4	2,47,932.50
Criminal Cases	4	Not Ascertainable
Actions taken by Regulatory Authorities	4	Not Applicable
Promoters		
E-Proceedings	1	Not Ascertainable
Outstanding Demand	1	1,11,464
Directors (Excluding Promoters)		
E-Proceedings	1	Not Ascertainable
Outstanding Demand	1	1,377

**To the extent quantifiable excluding interest and penalty thereon*

For the details of litigation proceedings, please refer the chapter titled "***Outstanding Litigations and Material Developments***" on page 206 of this Red Herring Prospectus.

J. RISK FACTORS

Investors should read chapter titled "***Risk Factors***" beginning on page 28 of this Red Herring Prospectus.

K. SUMMARY OF CONTINGENT LIABILITIES

The following is a summary table of our company's contingent liabilities as:

(₹ in Lakhs)

Sr. No.	Particulars	Amount (in ₹)
1.	Income Tax demands / Notices before CIT Appeals / TDS	25.51
2.	Bank Guarantees / Corporate Guarantees	Nil

For further information, please see *"**Financial Information**"* beginning on page 179 of this Red Herring Prospectus.

L. SUMMARY OF RELATED PARTY TRANSACTIONS

Our Company has entered into certain transactions with our related parties including our Promoters, Promoter Group, Directors and their relatives as mentioned below:

(₹ in Lakhs)

Particulars	For the period ended on	For financial year ended on		
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	Consolidated	Consolidated	Consolidated	Standalone
Remuneration	77.70	119.46	120.39	140.18
Loan Taken	-	138.36	126.25	250.92
Loan given / Repaid	0.16	83.44	204.33	70.39
Interest on Loan	28.20	41.79	42.43	30.30
Sales	549.02	1,532.89	2,465.81	2,072.52
Purchases	7.38	200.58	140.90	58.55
Total	**662.46**	**2,116.51**	**3,100.11**	**2,622.86**

For details of the Related Party Transactions as reported in the Restated Financials, please refer *"**Financial Statements as restated – Related Party Transactions**"* on page no. 178 of this Red Herring Prospectus.

M. FINANCING ARRANGEMENTS

There are no financing arrangements whereby our Promoters, members of Promoter Group, the Director of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 months immediately preceding the date of filing of this Red Herring Prospectus.

N. WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS RED HERRING PROSPECTUS

The weighted average price of Equity Shares acquired by our Promoters in the last one year preceding the date of this Red Herring Prospectus is as below:

Name of the Promoters	Weighted Average Price (₹)
Mr. Sandeep Bhardwaj	(0.03)
Mr. Bhupesh Soni	0.01
Mr. Ajay Singh Dassundi	0.03

O. AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoters as at the date of this Red Herring Prospectus is:

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Bhupesh Soni	34,60,980	0.20
2.	Ajay Singh Dassundi	38,61,990	0.56
3.	Sandeep Bhardwaj	36,66,990	0.63

P. PRE-IPO PLACEMENT DETAILS

Our Company has not proposed any Pre-IPO Placement in this Issue.

Q. ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Other than as disclosed in "***Capital Structure***" on page 63 of this Red Herring Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Red Herring Prospectus.

R. SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Other than as disclosed in "***Capital Structure***" on page 63 of this Red Herring Prospectus, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Red Herring Prospectus.

S. EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our Company has not applied or received any exemption from complying with any provisions of Securities Law by SEBI.

SECTION III: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled **"*Our Business*"** beginning on page 101, **"*Our Industry*"** beginning on page 101 and **"*Management's Discussion and Analysis of Financial Condition and Results of Operations*"** beginning on page 180 respectively, of this Red Herring Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

- Some events may not be material individually but may be found material collectively;
- Some events may have material impact qualitatively instead of quantitatively;
- Some events may not be material at present but may have material impact in future.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our restated financial statements under Indian GAAP, as restated in this Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled **"*Definitions and Abbreviations*"** beginning on page 4 of this Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as Internal and External for clarity and better understanding.

INTERNAL RISKS

A. BUSINESS RELATED RISKS

1. There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse decision in such proceeding may have a material adverse effect on our business, results of operations and financial condition.

There are certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. For the details of the cases please refer the chapter titled "***Outstanding Litigations and Material Developments***" beginning on page no. 206 of this Red Herring Prospectus A summary of the pending civil and other proceedings involving Our Company is provided below:

A classification of legal proceedings is mentioned below:

Nature of Cases	Number of Cases	Amount Involved (in Rs.)*
Issuer Company		
E-Proceedings	9	Not Ascertainable
Outstanding Demand	5	23,03,012
TDS Default	4	2,47,932.50
Criminal Cases	4	Not Ascertainable
Actions taken by Regulatory Authorities	4	Not Applicable
Promoters		
E-Proceedings	1	Not Ascertainable
Outstanding Demand	1	1,11,464
Directors (Excluding Promoters)		
E-Proceedings	1	Not Ascertainable
Outstanding Demand	1	1,377

**To the extent quantifiable excluding interest and penalty thereon*

For further details of litigation proceedings, please refer the chapter titled "***Outstanding Litigations and Material Developments***" on page 206 of this Red Herring Prospectus.

2. ***Any manufacturing or quality control problems may disrupt our business operations, damage our reputation for high quality production and expose us to potential litigation or other liabilities, which would negatively impact our business, prospects, cash flows, results of operations and financial condition.***

Pharmaceutical manufacturers are subject to significant regulatory scrutiny in most jurisdictions. We are required to register our manufacturing facilities with regulatory authorities and our products must be made, packaged, labelled and stored in a manner consistent with the standards set by the regulatory authorities under various acts and statutes. For our approved products, modifications, enhancements, or changes in manufacturing processes and sites may require supplemental approval or other governmental authorities, which may be subject to a lengthy application process or which we may be unable to obtain. In addition, regulatory authorities and other agencies may conduct scheduled or unscheduled periodic inspections of our manufacturing facilities to monitor our regulatory compliance. Following an inspection, an agency may issue a notice listing conditions that are believed to violate current good manufacturing practices or other regulations, or a warning letter for violations of regulatory significance that may result in enforcement action if not promptly and adequately cured. Certain disputes are pending against our Company i.e., State of Punjab, Through Drugs Inspector v. M/s Zenith Drugs Private Limited - CRM/1064/2023, State of Punjab Through Drugs Inspector v. M/s Zenith Drugs Private Limited - CRM/1063/2023, State Government v. Sandip Singh, M/s. Zenith Drugs Private Limited, and Ors. - R.C.C./730/2023 and State of Jharkhand v. M/s Zenith Drugs Private Limited and Ors.- Drug Cosmetic/3/2022 pertaining to not meeting the quality standards of the products. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. For further details of litigation proceedings, please refer the chapter titled ***"Outstanding Litigations and Material Developments"*** on page 206 of this Red Herring Prospectus.

3. ***We highly depend on our major raw materials and a few key suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.***

Our Company is engaged in the business of manufacturing pharmaceutical products. Therefore, we are highly dependent on API, which is the primary component of our manufacturing process. Thus, if we experience significant increase in demand, or need to replace an existing supplier, we cannot assure you that we will be able to meet such demand or find suitable substitutes, in a timely manner and at reasonable costs, or at all. Our Company maintains a list of registered suppliers from whom we procure the materials on order basis as per our internal demand projections. We have not entered into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacture of our products, could have a material adverse effect on our business. Further, any discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality and quantity could hamper our manufacturing schedule. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. Since our suppliers are not contractually

bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such suppliers, which may cause them to cater to our competitors alongside us.

4. ***We conduct our business activities on a purchase order basis and therefore, have not entered into long-term agreements with our customers except government contracts.***

Our Company is engaged in the business of manufacturing of pharmaceutical products on the basis of orders which are received from our customers. We have not entered into any formal agreements, arrangement or any other understanding with our customers except government or our traders and therefore, our business is dependent upon the continuous relationship with the customers, our traders and the quality of products supplied to us. Further, neither do we have any exclusive agents, dealers, distributors nor have we entered into any agreements with any of the market intermediaries for selling or marketing the products supplied to us. If there occurs any change in the market conditions, market trends, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

5. ***Our business activities are exposed to fluctuations in the prices of raw materials.***

Our Company is dependent on third party suppliers for procuring the raw materials required for manufacturing of our products. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long-term supply agreements with our suppliers for raw materials. Our major requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure the raw materials for products we get manufactured. We also face the risks associated with compensating for or passing on such increase in our cost of trades on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of traded goods may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain high quality materials in a timely and cost-effective manner would cause delays in our production / trade cycles and delivery schedules, which may result in the loss of our customers and revenues.

6. ***If we cannot respond adequately to the increased competition we expect to face, we will lose market share and our profits will decline, which will adversely affect our business, results of operations and financial condition.***

Our products face competition from products commercialized or under development by competitors in all our product portfolios. We compete with local companies, multi-national corporations and companies from the rest of world. If our competitors gain significant market share at our expense, our business, results of operations and financial condition could be adversely affected. Many of our competitors may have better financial, manufacturing, research and development, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges and stronger sales forces. Our competitors may succeed in developing products that are more effective, more popular or cheaper than any we may develop, which may render our products obsolete or uncompetitive and adversely affect our business and financial results. Also, we face pressure on our margins due to pricing competition from several organised and small local players. Presence of more players in the sector has resulted in increasingly competitive environment characterized by stiff price competition. We also operate in a rapidly consolidating industry. The strength of combined companies could affect our competitive position in all our business areas. Furthermore, if one of our competitors or their customers acquires any of our customers or suppliers, we may lose business from the customer or lose a supplier, which may adversely affect our business, results of operations and financial condition.

We also operate in a rapidly consolidating industry. The strength of combined companies could affect our competitive position in all our business areas. Furthermore, if one of our competitors or their customers acquires any of our customers or suppliers, we may lose business from the customer or lose a supplier, which may adversely affect our business, results of operations and financial condition.

7. ***We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business and if we fail to do so in a timely manner or at all and our business, financial conditions, results of operations, and cash flows may be adversely affected.***

We require certain statutory and regulatory licenses, registrations and approvals to operate our business, some of which our Company has either received or applied for or are in the process of application. Many of these approvals are granted for specific duration and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. Further, subsequent to our conversion into limited Company on September 13, 2023, we need to initiate the process of changing our Company name in all our registrations and statutory approvals, updating them to

reflect our new status. Any delay or failure to do so could have an adverse effect on our business and results of operations. Further, these licenses, registrations and approvals are subject to several conditions, and we cannot assure that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by us to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our operations and may have a material adverse effect on our business, results of operations and financial condition. For further details of the approvals yet to be obtained by us, and please see the chapter titled ***"Government and Other Statutory Approvals"*** beginning on page 197 of this Red Herring Prospectus.

8. Our Company is reliant on the demand from the pharmaceutical industry for a significant portion of our revenue. Any downturn in the pharmaceutical industry or an inability to increase or effectively manage our sales could have an adverse impact on our Company's business and results of operations.

Our Company is engaged in the business of manufacturing of pharmaceutical products and therefore, our revenues are highly dependent on our customers from the pharmaceutical industry and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations. Further, in the event, there takes place a shift of practice of developing our products in-house in the pharmaceutical industries, it may have an adverse impact on the demand for our products. Similarly, in the event of any new breakthrough in the development of a novel product or raw material by our competitors or customers, our products may become obsolete or be substituted by such alternatives; thereby impacting our revenues and profitability adversely. It may also happen that our competitors are able to improve the efficiency of their manufacturing process or their distribution or raw materials sourcing process and thereby offer their similar or high-quality products at lower price our Company may be unable to adequately react to such developments which may affect our revenues and profitability.

9. Continued operations of our manufacturing facility are critical to our business and any disruption in the operation of our manufacturing facility may have a material adverse effect on our business, results of operations and financial condition.

Our manufacturing facility is subject to operating risks, such as unavailability of spare parts of the machinery, break-down, obsolescence or failure of machinery, disruption in power supply or processes, performance below expected levels of efficiency, any local social unrest, natural disaster or breakdown of services and utilities in these areas could have material adverse effect on the business, financial position and results of our operations. In the event, we are forced to shut down our manufacturing unit for a prolonged period; it would adversely affect our earnings, our other results of operations and financial condition. Spiralling cost of living around our unit may push our manpower costs in the upward direction, which may reduce our margin and cost competitiveness. In addition to the above if our manufacturing unit suffers losses as a result of any industrial accident, we may be forced to shut down our manufacturing unit which could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition. Further, any contravention of or non-compliance with the terms of various regulatory approvals applicable to our manufacturing unit may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labour involved in our manufacturing unit, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

10. The Restated Financial Statements have been provided by Peer Reviewed Chartered Accountants who is not Statutory Auditor of our Company.

The Restated Consolidated Financial Statements for the period ended on September 30, 2023 and financial year ended on March 31, 2023, March 31, 2022 and Restated Standalone Financial Statements for the financial year ended on March 31, 2021 and has been provided by a Peer Reviewed Chartered Accountant, M/s. Badaya & Co., Chartered Accountants who is not Statutory Auditor of our Company. The Financial Statement of our Company for the period ended on September 30, 2023 and financial year ended on March 31, 2023, 2022 and 2021 has been audited by M/s. V D S & Co., Chartered Accountants being the Statutory Auditors of our Company.

11. Our company have taken certain unsecured loans which can be recalled by the lenders at any time.

Our company has availed unsecured loans amounting to ₹ 539.84 Lakhs which may be recalled by the lenders at any time. In the event that any lender seeks a repayment of any such loan, such company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Further, our company may not have adequate working capital for repayment or arrange for new alternatives. As a result, any such demand may affect our

business, cash flows, financial condition and results of operations. For further details, see "***Statement of Financial Indebtedness***" on page 195 of this Red Herring Prospectus.

12. We have certain contingent liabilities that have not been provided for in our financial statements, which, if they materialize, may adversely affect our financial condition.

Our Company has few contingent liabilities which are not disclosed for in the financial statements of our Company are in relation to the pending assessments and e-proceedings under Income Tax Act, 1961 as on date of the Red Herring Prospectus. If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. The following table reflects the contingent liability:

(Rs in Lakhs)

Restated Statement of Contingent Liabilities				
Particulars	**As at 31. 09. 2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
Claims against the company not acknowledged as Debts	Not Available	Not Available	Not Available	Not Available
Income Tax Demand	23.02	22.72	Nil	Nil
TDS Demand	2.48	1.97	Nil	Nil
Sales Tax Demand	Nil	Nil	Nil	Nil
Total	**25.51**	**24.69**	**Nil**	**Nil**

13. There are certain delays in filing returns with Certain Government Authorities. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of relevant act could impact the financial position of our Company to that extent.

Our Company attracts tax liability such as Income tax & Goods and Service Tax and other applicable provision of the Acts. Our Company has been depositing the return under above applicable acts but any demand or penalty raised by concerned authority in future for any previous year and current year will affect the financial position of our Company. For detail, please refer "***Outstanding Litigations and Material Development***" beginning on page 206 of this Red Herring Prospectus.

Our Company has generally complied with the statutory provisions and requirement of filing returns under various statutes except the following:

GSTR-3B for Madhya Pradesh State was filed after its due date for the financial years 2021-2022, 2019-20, 2018-19 and 2017-18 due to website issues and for financial 2020-2021 due to closure of offices during Covid-19 pandemic. However, the same were filed with additional late fees, as applicable while filing the returns.

Although no show-cause notice in respect of the above has been received by our Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

14. Majority of our revenue is dependent on two products i.e., ORS Powder and Liquid Orals, if we are unable to anticipate or adapt to evolving upgradation of products or inability to ensure product quality or reduction in the demand of such products may adversely impact our revenue from operations and growth prospects.

Majority of our revenue is dependent on two products i.e., ORS Powder and Liquid Orals amounting 22.28% and 39.31% respectively of the total sales of the Company. Our continued reliance on single business segment for substantial portion of our revenue exposes us to risks, including but not limited to, reduction in the demand of the products in the particular segment in the future; increased competition from regional and national players; the invention of superior and cost-effective technology; fluctuations in the price and availability of the raw materials; changes in regulations and import duties and the general economic conditions. Any occurrences of such event could significantly reduce our revenues, thereby materially adversely affecting our results of operations and financial condition.

15. Any delays and / or defaults in customer payments could result in increase of working capital investment and / or reduction of our Company's profits, thereby affecting our operation and financial condition.

We are exposed to payment delays and / or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business network model, we supply our products directly to our customers without taking any advance payment or security deposit against the orders placed by them. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could

have a material adverse effect on our Company's results of operations and financial condition. There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

16. Our Godown is not owned by us. The same is occupied by us on a lease basis. Disruption of our rights as lessee or termination of the agreement with our lessor would adversely impact our operations and, consequently, our business.

Our Company has been occupying the Godown located at Part-1, Second Floor, 29/3, 29/4, 29/5, Talawali Chanda, Lasudia Mori, Dewas Naka, Indore, Madhya Pradesh, on lease basis through a lease deed dated December 01, 2022 entered into by our Company with Mr. Ashish Shukla & Mr. Devashish Dey, for a period of 1 year. We cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favourable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable / favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business through franchise, prospects, results of operations and financial condition.

17. Our business involves usage of manpower and any unavailability of our employees or shortage of contract labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.

Our business involves usage of manpower and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of labourers. Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations. We may not be able to secure the required number of labourers required for the timely execution of our functions for a variety of reasons including, but not limited to, possibility of disputes with sub-contractors, strikes, less competitive rates. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by such state governments to be paid to such contract labourers, limitations on the number of hours of work or provision of improved facilities. Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with sub-contractors or contract labourers deployed at our projects. This may adversely affect our business and cash flows and results of operations.

18. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be obtained by our Issuer Company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

We require several statutory and regulatory permits, licenses, and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Presently, we have applied for updating licenses and approvals in the name of "Zenith Drugs Limited" from "Zenith Drugs Private Limited". Also, we are yet to receive and renew several approvals and licenses like registration of principal employer under the Contract Labor (Regulation and Abolition) Act, 1970, and amendment in the current Factories License No. 197/15645/IND/2M(1)/H to include the address of the new factory which has been taken by our Company for proposed expansion situated at K. No. 72/3, 74/1/1, 75/1/1, Village Muradpura, Depalpur, Indore, Madhya Pradesh. Further we are yet to apply for Shops and Establishments Registration Certificate for Haryana and West Bengal Offices. Non-obtaining or non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. We require to keep already obtained valid key approvals such as Tax Registration, Shops and Establishment License, Drug Manufacturing License etc. for running our operations in a smooth manner. Some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses, or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.

19. ***The Company is yet to place orders for 100% of the plant & machineries for our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement of plant & machineries may delay our implementation schedule and may also lead to increase in price of these plant & machineries, further affecting our revenue and profitability***.

Our Company have identified the type of plant and machineries required to be bought from the proceeds of the Initial Public Offer. However, we are yet to place orders for 100% of the Plant & Machinery worth ₹ 1100.15 Lakhs as detailed in the ***"Objects of the Issue"*** beginning on page 80 of this Red Herring Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management 's views of the desirability of current plans, change in supplier of plant & machineries, Equipments among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plant and machineries, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun, which would have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to the chapter titled ***"Objects of the Issue"*** beginning on page 80 of this Red Herring Prospectus.

20. ***Our business is subject to various operating risks at our sites, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.***

Our business operations are subject to operating risks, such as breakdown or failure of equipment's used at the project sites, weather conditions, interruption in power supply, shortage of consumables, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, accidents, our inability to respond to technological advancements and emerging realty industry standards and practices along with the need to comply with the directives of relevant government authorities. The occurrence of these risks, if any, could result in stoppage of work along with penalty in monetary terms. Any stoppage of work may result in a delay in completing our projects leading to failure to deliver the furniture to the customers within the time frame. Further, any of the aforesaid risks may also result in our contractors compromising on the quality standards in order to finish the work within the given timelines, which may in turn affect our reputation and ability to attract new customers. If any of the above were to occur, it would significantly affect our operating results, and the slowdown of business operations may have a material adverse effect on our business operations and financial conditions.

21. ***Brand recognition is important to the success of our business, and our inability to build and maintain our brand names will harm our business, financial condition and results of operation.***

Brand recognition is important to the success of our business. Establishing and maintaining our brand name in the industry or for people relying on services is critical to the success of the customer acquisition process of our business. Although, we expect to allocate significant number of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing user and client base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

Our Company sells its products under its own Brand Name in India and for International Markets they sell through third party registration, however, Zenith is named as producer for the third party sale. Further, the Company is in process to establish direct export network to sell its products under its own name. The Sale of our owned brand products, including the products governed under various applicable Acts, subjects us to unique risks and heightens certain other risks, including dependency on commercial relationships with the third party manufacturers whom we engage to manufacture our owned brand products; potential infringement risk, or be accused of infringing, intellectual property rights of third parties that may lead to a litigation or reputational risk; dependency and risk of potential deterioration in the relationships with our existing suppliers; potential product liability towards customer risks for any production defects for products manufactured at third parties, which may also impact the reputation of our company's brand; protecting our intellectual property rights; and dependency on relationship across multiple channels of sales for our owned brands.

22. ***Our success depends in large part upon our qualified personnel, including our senior management, directors and key personnel and our ability to attract and retain them when necessary.***

Our operations are dependent on our ability to attract and retain qualified personnel. While we believe that we currently have adequate qualified personnel, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. The loss of the services of our qualified personnel may adversely affect our business, results of operations and financial condition. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting the qualified employees that our business requires. Furthermore, our senior management team is integral to the success of our business. However, we cannot assure you that we will be able to retain any or all of our management team. Any loss of

our senior management or key personnel or our inability to recruit further senior managers or other key personnel could impede our growth by impairing our day-to-day operations and hindering our development of ongoing and planned projects and our ability to develop, maintain and expand customer relationships.

23. Too much concentration of our Business is from sale to government and too much concentration on limited customers can impact our Business.

The major portion of our revenue for the Financial Year ended March 31, 2023, March 31, 2022 and March 31, 2021 is from only one customer i.e Government Institutions. 43.36% of Revenue in Fiscal 2022-2023, 52.36% of Revenue in Fiscal 2021-2022 and 53.02% of Revenue in Fiscal 2020-2021 was from sales to Government institution. Such concentration of our business heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand, our operations may differ from those in which we are currently offering. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, and are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand more into areas outside Bangalore market may adversely affect our business prospects, financial conditions and results of operations.

24. We sell our products through network of dealers and any inability to expand or effectively manage our growing distribution and sales network may have an adverse effect on our business, results of operations and financial condition.

In addition to direct sales of our products to end user customers, we have an extensive dealer network covering major parts of India. We sell our products through a network across India. Our ability to expand and grow our product reach significantly depends on the reach and effective management of our dealers. We continuously seek to increase the penetration of our products by appointing new dealers targeted at different markets and geographies. We cannot assure you that we will be able to successfully identify and appoint new dealers or effectively manage our existing dealers' network. If the terms offered to such dealers by our competitors are more favourable than those offered by us, dealers may terminate their arrangements with us and our product sale may decline.

25. Some of our corporate records including forms filed with the Registrar of Companies are not traceable.

Our Company was incorporated in the year 2000 under the Companies Act, 1956, hence Company is unable to trace certain corporate and other documents in relation to our Company including Bank Statements, Corporate Records, forms filed with the Registrar of Companies prior to the year 2006. Due to change in methods of record keeping over the years, certain forms filed with ROC prior to the year 2006 like Return of Allotment for the year 2002, Change in Registered Office of the Company, Registration of charges and modification of charges, Increase in Authorized Capital, etc., could not be traced by our Company. Our Company has made an application with the Registrar of Companies for retrieving the data, however, we have not received the documents from the Registrar. Further online filing of RoC documents was initiated in the year 2006 and all forms prior to the said year were physically filed, hence some of these forms could not be retrieved from Ministry of Corporate Affairs (MCA) portal. As such under the circumstances elaborated above, our Company cannot assure you that the filings were made in a timely manner or the information gathered through other available documents of the Company are correct. Also, our Company may not be in a position to attend to and / or respond appropriately to any legal matter due to lack of lost destroyed records and to that extent the same could adversely affect our business operations.

26. Our Company had not made any provision for payment of gratuity to our employees as per relevant provision of Payment of Gratuity Act, 1972.

As per provision of Payment of Gratuity Act, 1972 (Act) a scheme for the payment of gratuity to employees shall be made upon applicability of the Act. Our company failed to determine the applicability of the act although the number of employees of the company has crossed the threshold limit as mentioned in the Act. Our company failed to maintain any provisions for gratuity in any of the past financial years as per relevant provisions. Upon identification of this non-compliance the same was rectified in the restated financials by taking actuarial valuation and making appropriate provisions for gratuity. Although no complaint had been filed against our company for non-compliance under any section of Act, and also no show cause notice in respect of the above has been received by the Company till date. But if the company is found to be in default in complying with any of the provisions of this Payment of Gratuity Act, 1972 or any rule or order made thereunder the employer shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to one thousand rupees, or with both. Upon any such action the financial position of the company may be impacted.

27. Heavy dependence on our Promoters for the continued success of our business through his continuing services, strategic guidance and support.

We are heavily dependent upon the continued services of our Promoters, along with support of our management team for the continuous success and growth of our organization. Our promoters are responsible for the execution of our day-to-day business affairs. The loss of our Promoters or failure to recruit suitable or comparable replacements could have an adverse effect on our business operations and growth strategies. For Details of our Promoters, please refer chapter titled ***"Our Promoters and Promoter Group"*** beginning on Page 170 of this Red Herring Prospectus.

28. Significant security breaches in our computer systems and network infrastructure and fraud could adversely impact our business.

We seek to protect all the computer systems and network infrastructure in our offices from physical break-ins as well as security breaches and other disruptive problems. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and networks. To address these issues and to minimise the risk of security breaches we employ security systems, including firewalls and intrusion detection systems, conduct periodic penetration testing for identification and assessment of potential vulnerabilities and, use encryption technology for transmitting and storing critical data such as passwords. However, these systems may not guarantee prevention of frauds, break-ins, damage and failure. A significant failure in security measures could have an adverse effect on our business.

29. As we continue to grow, we may not be able to effectively manage our growth and the increased complexity of our business, which could negatively impact our brand and financial performance.

The success of our business will depend greatly on our ability to effectively implement our operational and growth strategies. As a part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including expansion in product base, focus on consistently meeting quality standards, deepen and expand our geographical presence, strengthening up our business through effective branding, promotional and digital activities. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations. Our operating expenses and capital requirements may increase significantly pursuant to our expansion and diversification plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

30. Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement.

Further, we are required to maintain certain financial ratios. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. In such situation, Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled ***"Statement of Financial Indebtedness"*** on page no. 96 of the Red Herring Prospectus. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance. For further details, please see the section titled **"*Financial Indebtedness"*** on page 195.

31. Delay in delivery of the products due to breakdown of machinery.

Any breakdown or defect in the machinery and / or the equipment used for the purpose of our manufacturing process may delay the production process as a whole and result in missing deadlines in delivery of product if we are able to repair the machines or replace it within relevant timelines. Any such delays may have an adverse effect on the business of the Company.

32. We are dependent on third party vendors for delivery of materials required to us from our suppliers and delivery of our products to our clients. Any failure on part of such vendors to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.

We are engaged in the business of manufacturing of Pharmaceuticals drug. We also required certain materials which we source from third party vendors. Our success depends on the smooth supply and transportation of the various materials required for our projects delivering to our customers which are subject to various uncertainties and risks. In addition, these materials may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials which may also affect our business and our results of operation adversely. A failure to maintain a continuous supply of materials in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations.

33. The shortage or non-availability of power facilities may adversely affect our business and have an adverse impact on our results of operations and financial condition.

Our business processes require power facilities. The quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented / augmented by alternative / independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high in view of increasing oil prices and other constraints. We are mainly dependent on State Government for meeting our electricity requirements. Any defaults or non-compliance of the conditions may render us liable for termination of the agreement or any future changes in the terms of the agreement may lead to increased costs, thereby affecting the profitability. Further since we are majorly dependent on third party power supply; there may be factors beyond our control affecting the supply of power.

Any disruption / non-availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

34. Adverse publicity regarding our products could negatively impact us.

Adverse publicity regarding any of our products or similar products marketed or sold by others could negatively affect us. If any studies raise or substantiate concerns regarding the efficacy or safety of our products or other concerns, our reputation could be harmed and demand for our products could diminish, which could have a material adverse effect on growth in new customers and sales of our product, leading to a decline in revenues, cash collections, and ultimately our ability to meet operating cash flow requirements.

35. Our business may be affected by severe weather conditions and other natural disasters.

Our business activities may be materially and adversely affected by severe weather conditions, which may force us to evacuate personnel or curtail services, or suspend our operations or postpone delivery of materials to our worksites. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our operations. High temperatures during summer months and the monsoon season could limit our ability to carry on our activities or to fully utilize our resources.

36. General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

Our business is highly dependent on economic and market conditions in India and other jurisdictions where we operate. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, foreign direct investment, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions. Market conditions may change rapidly and the Indian capital markets have experienced significant volatility in the past. The Indian economy has had sustained periods of high inflation in the recent past. If inflation or real interest rates were to rise significantly, the trends towards increased financial savings might slow down or reverse, our employee costs may increase and the sales of many of our products and services may decline.

37. Major fraud, lapses of internal control or system failures could adversely impact the company's business.

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during

transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

38. We continue to explore the diversification of our business and the implementation of new products. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, innovations and / or starting new products. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful in implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

39. We are still in the process of compiling information of Creditors.

As on the date of filing of Red Herring Prospectus, the Company was in the process of compiling information with respect to Total Outstanding Due to MSME Creditors. To determine the same the Company is sending emails / making calls to take MSME Registration Certificate to confirm the number of MSME Creditors and dues owed to them. As the Company is in the process of determining total dues to MSME Creditors, the Company has not taken any step as of now to determine the impact on financials due to failure to pay MSME vendors as per the Micro, Small, and Medium Enterprises Development Act, 2006. Once the total dues owed to MSME Creditors are determined, the Company will surely take steps to determine the impact on financials due to failure to pay MSME vendors.

40. Our inability to manage growth could disrupt our business and reduce our profitability. We propose to expand our business activities in coming financial years.

We expect our future growth to place significant demands on both our management and our resources. This will require us to continuously evolve and improve our operational, financial and internal controls across the organisation. In particular, continued expansion increases the challenges we face in:

- Our ability to acquire and retain clients for our product;
- Services, products or pricing policies introduced by our competitors;
- Capital expenditure and other costs relating to our operations;
- The timing and nature of, and expenses incurred in, our marketing efforts;
- Recruiting, training and retaining sufficient skilled technical and management personnel;
- Adhering to our high quality and process execution standards;
- Maintaining high levels of customer satisfaction;
- Developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

You should not rely on yearly comparisons of our results of operations as indicators of future performance. It is possible that in some future periods our results of operations may be below the expectations of public, market analysts and investors. If we are unable to manage our growth it could have an adverse effect on our business, results of operations and financial condition.

41. We have entered into related party transactions in the past and may continue to do so in the future.

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties. For further information, see ***"Restated Financial Statements – Annexure XXVII "Related Party Transactions"*** on page 149. We cannot assure you that we will receive similar terms in our related party transactions in the future. While we believe that all such related party transactions that we have entered into in last three fiscals are legitimate business transactions conducted on an arms' length basis, in compliance with the requirements stipulated in Companies Act, 2013, and relevant Accounting Standards and other statuary compliances, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Any further transactions with our related parties could involve conflicts of interest. While we have not had any conflict of interest in relation to our equity shareholders in the past, we cannot assure you that such conflicts will not arise in the future. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have any adverse effect on our business and financial results, including because of potential conflicts of interest or otherwise. For further information on our related party transactions, see ***"Financial Statement – Annexure XXIX".***

42. The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract, that could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

43. Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. While we have not been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any such unauthorized transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

44. Our operations may be adversely affected in case of industrial accidents at our working sites.

Usage of heavy machinery, handling of sharp parts of machinery by labor during production processor otherwise, short circuit of power supply for machines, etc. may result in accidents and fires, which could cause indirect injury to our labor, employees, other persons on the site and could also damage our properties thereby affecting our operations. Further, our plant and machinery and personnel may not be covered under adequate insurance for occurrence of particular types of accidents which could adversely hamper our cash flows and profitability.

45. Our operating expenses include overheads that may remain fixed in the medium term. In case there is any decline in our operating performance, we may be unable to reduce such expenses.

Our operating expenses include various fixed costs, which are as such, not dependent on sales revenue. Any shortfall in sales may cause significant variations in operating results in any particular quarter, as we would not be able to reduce our fixed operating expenses in the short term. The effect of any decline in sales may thereby be magnified because a portion of our earnings are committed to paying these fixed costs. Accordingly, we believe that period-to-period comparisons of our results may not necessarily give a correct presentation of the performance and should not be relied upon as indications of future performance.

46. *Our Company has a negative cash flow in its operating activities in the year 2023 and in its investing activities in the year 2022 and 2021 details of which are given below. Sustained negative cash flow could impact our growth and business.*

Our Company had negative cash flows from our operating activities as well as investing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(₹ in lakh)

Particulars	For the period ended on	For the financial year ended on March 31,		
	September 30, 2023	2023	2022	2021
	Consolidated	Consolidated	Consolidated	Standalone
Net cash (used in) / generated from Operating Activities	(101.63)	(440.64)	515.31	75.68
Net cash (used in) / generated from Investing Activities	(72.39)	10.62	(524.22)	(142.83)
Net cash (used in) / generated from Financing Activities	151.97	490.59	124.17	208.38
Net increase / (decrease) in Cash and Cash Equivalents	(22.05)	60.57	115.27	141.23

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

47. *The average cost of acquisition of Equity Shares by the Promoters may be less than the Issue Price.*

The average cost of acquisition of Equity Shares by the Promoters may be less than the Issue Price. The details of the average cost of acquisition of Equity shares held by the Promoters are set out as below:

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Bhupesh Soni	34,60,980	0.20
2.	Ajay Singh Dassundi	38,61,990	0.56
3.	Sandeep Bhardwaj	36,66,990	0.63

48. *Our insurance coverage may not adequately protect us against losses, and successful claims against us that exceed our insurance coverage could harm our results of operations and diminish our financial position.*

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. In addition, there are various types of risks and losses for which we do not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to us on acceptable terms. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, future financial performance and results of operations.

49. *There are no alternate arrangements for meeting our requirements for the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.*

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not yet identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer chapter titled "***Objects of the Issue***" on page 80 of this Red Herring Prospectus.

50. *Our actual results could differ from the estimates and projections used to prepare our financial statements.*

The estimates and projections are based on and reflect our current expectations, assumptions and / or projections as well as our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. There can be no assurance that our expectations, estimates, assumptions and / or

projections, including with respect to the future earnings and performance will prove to be correct or that any of our expectations, estimates or projections will be achieved.

51. Guarantees from Promoters & Directors as well as others have been taken in relation to the debt facilities provided to us.

In an event any of the guarantors withdraws or terminates this guarantee, the lender for such facilities may ask for alternate guarantee / s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee / s satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled "***Statement of Financial Indebtedness***" beginning on page 195 of this Red Herring Prospectus.

52. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholder's investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "***Dividend Policy***" on page 177 of this Red Herring Prospectus.

53. Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships or joint venture across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are currently evaluating opportunities and negotiating with several potential partners, we have not entered into any definitive agreements. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management's time and focus from operating our business to addressing challenges pertaining to acquisition and integration. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

54. Our future funds requirements, in the form of fresh issue of capital or securities and / or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

55. Some of the KMPs is associated with our company for less than one year.

Our Key Management Personnel, Chief Financial officer and Company Secretary & Compliance Officers are associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter "***Our Management***" beginning on page 149 of this Red Herring Prospectus.

56. There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.

In accordance with Indian law and practice, permission to list the Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Approval will require all other relevant documents authorizing the issuing of our

Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

57. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of Our Company.

Since, the Issue size is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised from this Issue, is hence, at the discretion of the management and the Board of Directors of Our Company and Our Company's management will have flexibility in applying the proceeds of the Issue and will not be subject to monitoring by any independent agency. The fund requirement and deployment mentioned in the Objects of the Issue is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

58. Negative publicity could adversely affect our revenue model and profitability.

We work in the market where trust of the customers on us and upon the services provided by us matters a lot. Any negative publicity regarding our company or the services rendered by the company due to any other unforeseen events may affect our reputation and image which leads to the adverse effect on our business and goodwill as well.

59. Industry information included in this Red Herring Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed, and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

60. The requirements of being a public listed company may strain our resources and impose additional requirements.

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources band management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and / or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

Issue Specific Risks:

61. There are restrictions on daily / weekly / monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

62. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including*:*

a. Volatility in the Indian and global capital market;

b. Company's results of operations and financial performance;

c. Performance of Company's competitors,

d. Adverse media reports on Company or pertaining to the agriculture Industry;

e. Changes in our estimates of performance or recommendations by financial analysts;

f. Significant developments in India's economic and fiscal policies; and

g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

63. You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Red Herring Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

64. The Issue price of our Equity Shares may not be indicative of the market price of our Equity shares after the issue.

The Issue price of our equity Shares has been determined by Book Built Method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuation after the issue and may decline below the issue price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue price. For further details you may refer chapter titled "***Basis for Issue Price****"* beginning on the page 89 of this Red Herring Prospectus.

Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.

- Changes in revenue.
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition
- Domestic and International Economy.

65. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the Trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

EXTERNAL RISKS

Industry Related Risks:

66. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended / changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

67. Malpractices by some players in the industry affect overall performance of emerging Companies

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

Other Risks:

68. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long-Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long-term capital gains exceeds ₹ 1,00,000.00 p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of ₹1,00,000.00

pa. shall be chargeable at the rate of 10%. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

69. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in this Red Herring Prospectus.

As stated in the reports of the Auditor included in this Red Herring Prospectus under chapter "***Financial Statements as Restated***" beginning on page 179 the financial statements included in this Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBIICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

70. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

71. Financial instability in Indian Financial Markets could adversely affect our Company's results of operation and financial condition.

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

72. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in this Red Herring Prospectus.

While facts and other statistics in this Red Herring Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "***Our Industry***" beginning on page 101 of this Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

73. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency a magnitude, which may negatively affect our stock prices.

74. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection / tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

75. Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

76. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

77. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

SECTION IV: INTRODUCTION

THE ISSUE

Present Issue in Terms of this Red Herring Prospectus:

Particulars	No. of Equity Shares
Equity Shares Offered through Public Issue [(1) (2)]	Issue of upto 51,48,800 Equity Shares of face value of ₹ 10.00 each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating to ₹ [●]
Out of Which:	
Reserved for Market Maker	Upto 8,52,800 Equity Shares of face value of ₹ 10.00 each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●]
Net Issue to the Public*	Upto 42,96,000 Equity Shares of face value of ₹ 10.00 each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●]
Of which:	
A. QIB Portion [(3)(4)]	Not more than 21,47,200 Equity Shares (not more the 50%) aggregating upto ₹ [●] lakhs
Of which:	
i) Anchor Investor Portion	Upto [●] Equity Shares aggregating upto ₹ [●] lakhs
ii) Net QIB Portion	Upto [●] Equity Shares aggregating upto ₹ [●] lakhs
Of which:	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares aggregating up to ₹ [●] lakhs
b)Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares aggregating up to ₹ [●] lakhs
B. Non-Retail Investors Portion	Not less than 6,44,800 Equity Shares aggregating upto ₹ [●] lakhs
C. Retail Investors Portion	Not less than 15,04,000 Equity Shares aggregating upto ₹ [●] lakhs
Pre and Post Issue Share Capital of our Company:	
Equity Shares outstanding prior to the Issue	1,20,00,000 Equity Shares
Equity Shares outstanding after the Issue	Upto 1,71,48,800 Equity Shares*
Use of Issue Proceeds	For details, please refer chapter titled '***Objects of the Issue'*** beginning on page no. 80 of this Red Herring Prospectus.

**Assuming full subscription*

Notes:

1. The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.

2. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 16, 2023 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on September 16, 2023.

3. The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.

4. Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws. Our Company may, in consultation with the Book

Running Lead Manager, allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor.

5. Our Company may, in consultation with the Book Running Lead Manager, allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled ***"Issue Procedure"*** beginning on page 238 of this Red Herring Prospectus.

SUMMARY OF FINANCIAL STATEMENTS

ZENITH DRUGS LIMITED
(Formerly known as ZENITH DRUGS PRIVATE LIMITED
CIN No.-U24231MP2000PTC014465
RESTATED CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES

(₹ in Lakhs)

	Particulars	Consolidated			Standalone
		As at 30.09.2023	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
I.	**EQUITY AND LIABILITIES**				
1	**Shareholders' Funds**				
	(a) Share Capital	1,200.00	40.00	40.00	40.00
	(b) Reserves and Surplus	1,064.96	1,684.42	1,169.09	855.27
2	**Minority interest**	0.28	1.45	1.49	-
3	**Non-Current liabilities**				
	(a) Long-term Borrowings	885.91	835.59	957.10	727.50
	(b) Deferred Tax Liabilities (Net)	76.31	41.92	26.34	30.79
	(c) Long-term Provisions	11.55	8.58	6.70	3.65
4	**Current Liabilities**				
	(a) Short-term Borrowings	2,016.90	1,769.44	923.76	820.61
	(b) Trade Payables				
	-Due to Micro, Small & Medium Enterprises	2,306.13	1,987.39	654.70	643.56
	-Due to Other than MSME	3,225.14	3,173.42	2,813.43	1,382.83
	(c) Other Current Liabilities	92.05	59.52	132.45	114.84
	(d) Short-term Provisions	369.81	192.12	133.41	35.64
	TOTAL	**11,249.04**	**9,793.83**	**6,858.47**	**4,654.70**
II.	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant & Equipment & Intangible Assets				
	(i) Property, Plant & Equipment	1,093.81	1,172.58	1,047.28	921.91
	(ii) Capital Work-in-progress	88.59	-	266.20	
	(b) Other Non-Current Assets	246.40	229.02	192.01	147.92
2	**Current Assets**				
	(a) Inventories	2,868.23	2,367.31	1,213.07	683.17
	(b) Trade Receivables	5,913.80	4,931.13	3,206.79	2,338.16
	(c) Cash and Cash Equivalents	338.55	360.64	300.06	184.80
	(d) Short Term Loans & Advances	699.66	733.15	633.05	378.75
	TOTAL	**11,249.04**	**9,793.83**	**6,858.47**	**4,654.70**

ZENITH DRUGS LIMITED
(Formerly known as ZENITH DRUGS PRIVATE LIMITED
CIN No.-U24231MP2000PTC014465
RESTATED CONSOLIDATED STATEMENT OF PROFIT & LOSS

(₹ in Lakhs)

	Consolidated			Standalone
Particulars	**For the period ended 30.09.2023**	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
Revenue from operations	6,940.93	11,451.91	9,165.50	7,340.17
Other income	7.50	117.74	101.12	11.39
Total Income	**6,948.43**	**11,569.65**	**9,266.63**	**7,351.57**
Expenses:				
Cost of Materials Consumed	4,429.63	8,572.13	7,552.59	5,184.89
Change in inventory of Finished goods and W-I-P	140.30	(54.24)	(292.61)	15.62
Employee Benefit Expenses	342.76	473.37	371.31	344.99
Finance Cost	145.81	233.58	211.03	132.40
Depreciation and Amortization Expenses	62.60	130.28	132.63	121.60
Other Expenses	1,066.33	1,493.50	851.09	1,091.86
Total Expenses	**6,187.42**	**10,848.62**	**8,826.04**	**6,891.36**
Profit before Exceptional Items	**761.01**	**721.02**	**440.59**	**460.21**
Exceptional & Extra Ordinary Items	2.10			
Profit / (Loss) before Tax	**758.91**	**721.02**	**440.59**	**460.21**
Tax Expenses:				
Current Tax	185.14	190.15	132.18	137.25
Deferred Tax	34.39	15.58	(4.46)	20.04
Profit / (Loss) for the year	**539.38**	**515.29**	**312.86**	**302.92**
Less: Share of Profit of Minority Shareholders	(1.17)	(0.04)	(0.96)	-
Profit / (Loss) for the year	**540.55**	**515.33**	**313.82**	**302.92**
Earnings per equity share:				
Basic (in Rs.)	4.49	128.82	78.22	75.73
Diluted (in Rs.)	4.49	128.82	78.22	75.73

ZENITH DRUGS LIMITED
(Formerly known as ZENITH DRUGS PRIVATE LIMITED
CIN No.-U24231MP2000PTC014465
RESTATED CONSOLIDATED CASH FLOW STATEMENT

(₹ in Lakhs)

	Particulars	Consolidated		Standalone	
		As at 30.09.2023	31st March, 2023	31st March, 2022	31st March, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Net Profit before tax	758.91	721.02	440.59	460.21
	Depreciation & Amortisation	62.60	130.28	132.63	121.60
	Finance Cost	145.81	233.58	211.03	132.40
	Provision for Gratuity	2.99	1.88	3.06	3.17
	Interest Income	-	-	-	-
	Operating Profit before Working Capital Charges	**970.31**	**1,086.76**	**787.30**	**717.38**
	Adjusted for:				
	Inventories	(500.92)	(1,154.24)	(529.90)	(246.88)
	Trade receivables	(982.67)	(1,724.34)	(868.63)	205.24
	Other non-current assets	(17.38)	(37.01)	(44.09)	(13.50)
	Short Term Loans & Advances	33.49	(100.10)	(254.30)	(64.71)
	Trade Payable	370.46	1,692.67	1,441.75	(273.94)
	Short term provisions	177.69	58.71	97.76	(225.50)
	Other Current Liabilities	32.53	(72.93)	17.61	114.84
	Cash Generated From Operations	**83.51**	**(250.48)**	**647.49**	**212.93**
	Payment of Income Tax (Net of Refund)	(185.14)	(190.15)	(132.18)	(137.25)
	Net cash generated / (used in) from operating activities	**(101.63)**	**(440.64)**	**515.31**	**75.68**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property, Plant & Equipment	(10.26)	(290.90)	(258.01)	(142.83)
	Capital Work In Progress	(88.59)	-	(266.20)	-
	Sale of Property, Plant & Equipment	26.46	301.52	-	-
	Purchase / (Sale) of Investments	-	-	-	-
	Interest Income	-	-	-	-
	Net Cash used in Investing Activities (B)	**(72.39)**	**10.62**	**(524.22)**	**(142.83)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Share Capital of Minorities	-	-	2.45	
	Finance Cost	(145.81)	(233.58)	(211.03)	(132.40)
	Movement of Long Term Borrowings	50.32	(121.52)	229.60	(234.76)
	Movement Short term borrowings	247.46	845.68	103.15	575.54
	Net Cash used in Financing Activities (C)	**151.97**	**490.59**	**124.17**	**208.38**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**(22.05)**	**60.57**	**115.27**	**141.23**
	Cash and Cash Equivalents at the beginning of the year	**360.64**	**300.06**	184.80	43.57
	Cash and Cash Equivalents at the end of the year	**338.58**	**360.64**	**300.06**	**184.80**

Note :-

1. Components of Cash & Cash Equivalent

Particulars	As at 30.09.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
a. Balances with banks				
- Current Accounts	38.55	20.99	11.87	1.78
-Term Deposits	291.97	332.73	267.39	164.07
b. Cash in hand (As certified by the management)	8.04	20.80	20.80	18.94
Total	**338.58**	**360.64**	**300.06**	**184.79**

2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.
3. Figures in Brackets represents outflow.

SECTION V: GENERAL INFORMATION

Our Company was originally incorporated on November 15, 2000 as a Private Limited Company in the name of "Zenith Drugs Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh, Gwalior. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on September 05, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to 'Zenith Drugs Limited' and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 13, 2023 by the Registrar of Companies, Gwalior. The Corporate Identification Number of our Company is U24231MP2000PLC014465

For details in relation to the incorporation, Registered Office and other details, please refer to the chapter titled **"*Our History and Certain Other Corporate Matters*"** beginning on 145 of this Red Herring Prospectus.

BRIEF COMPANY AND ISSUE INFORMATION	
Registration Number	014465
Corporate Identification Number	U24231MP2000PLC014465
Date of Incorporation as Private Limited Company	November 15, 2000
Date of Incorporation as Public Limited Company	September 13, 2023
Address of Registered Office	K. No. 72 / 5, Village Muradpura, NA, Depalpur, Indore-453001, Madhya Pradesh, India. **Tel:** +91 84355 01867 **Email**: info@zenithdrugs.com **Website**: www.zenithdrugs.com
Address of Registrar of Companies	**Registrar of Companies, Gwalior** 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madhya Pradesh. **Tel:** 0751-2321907 **Email:** roc.gwalior@mca.gov.in **Website**: www.mca.gov.in
Designated Stock Exchange	**Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge")** Exchange Plaza, C / 1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharastra, India. **Website:** www.nseindia.com
Issue Programme	Anchor Portion Issue Opens / Closes on: Friday, February 16, 2024 Issue Opens on: Monday, February 19, 2024* Issue Closes on: Thursday, February 22, 2024
Chief Financial Officer	**Mr. Sandeep Bhardwaj** K. No. 72 / 5, Village Muradpura, NA, Depalpur, Indore-453001, Madhya Pradesh, India. **Tel:** +91 84355 01867 **Email**: cfo@zenithdrugs.com **Website**: www.zenithdrugs.com
Company Secretary and Compliance Officer	**Ms. Sakshi Bhawsar** K. No. 72 / 5, Village Muradpura, NA, Depalpur, Indore-453001, Madhya Pradesh, India. **Tel:** +91 84355 01867 **Email**: cs@zenithdrugs.com **Website**: www.zenithdrugs.com

Since 19th February 2024 is a Bank Holiday on account of "Chhatrapati Shivaji Maharaj Jayanti" in the state of Maharashtra, Hence, Banks will not be working on the said date. However, investors can bid through online portals.

OUR BOARD OF DIRECTORS

Details regarding our Board of Directors as on the date of this Red Herring Prospectus are set forth in the table hereunder:

Name	Designation	Address	DIN
Mr. Sandeep Bhardwaj	Managing Director	1625, Scheme No. 114, Part – 1, Vijay Nagar, Indore, Madhya Pradesh - 452010, India.	00539347

Name	Designation	Address	DIN
Mr. Bhupesh Soni	Executive Director	2900, Sector E, Sudama Nagar, Indore, Madhya Pradesh – 452009, India.	00539355
Mr. Ajay Singh Dassundi	Executive Director	1437 - Scheme No. 114, Part – 1, Indore, Madhya Pradesh – 452010, India.	00835856
Mr. Anil Malik	Non-Executive Director	30, Royal Bungalow City, MR-10 Road, Indore, Madhya Pradesh - 452001, India.	07192307
Ms. Ranjana Sureshkumar Sehgal	Independent Director	F 803, Rose Ocean Park, Near DPS School, Nipaniya Indore, Madhya Pradesh – 452016, India.	01979256
Mr. Deendayal Kumawat	Independent Director	20, Chankyapuri, Sikar Road Machera, Near Mehta Hospital, Jaipur- 302013, Rajasthan, India	10332223

*For detailed profile of our Directors, refer "**Our Management**" on page 149 respectively of this Red Herring Prospectus.*

INVESTOR GRIEVANCES

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or the Book Running Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Issue related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant Book Running Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
GRETEX CORPORATE SERVICES LIMITED A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai, Mumbai-400013, Maharashtra, India. **Tel No.:** +91 96532 49863 **Email:** info@gretexgroup.com **Website:** www.gretexcorporate.com **Contact Person:** Ms. Dimple Magharam Slun **SEBI Registration No:** INM000012177 **CIN:** L74999MH2008PLC288128	**BIGSHARE SERVICES PRIVATE LIMITED** S6-2, 6th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India. **Tel. No.:** +91 22 6263 8200; **Fax No.:** +91 22 6263 8299 **Email:** ipo@bigshareonline.com **Investor Grievance Email**: investor@bigshareonline.com; **Website:** www.bigshareonline.com **Contact Person:** Mr. Asif Sayyed **SEBI Registration No.:** INR000001385 **CIN:** U99999MH1994PTC076534
LEGAL ADVISOR TO THE ISSUE	**STATUTORY AUDITOR OF THE COMPANY**
M/S. M. V. KINI LAW FIRM KINI House, 6 / 39 Jangpura-B, New Delhi – 110014, India.	**M/S. V D S & Co., Chartered Accountants,**

Tel No.: +91 11 2437 1038 / 39 / 40 **Fax No.:** +91 11 2437 9484 **Email:** corporatedelhi@mvkini.com **Website :** www.mvkini.com **Contact Person**: Ms. Vidisha Krishan	201, Earth Avenue, 7, Bamru Colony, Nr. My Hospital Jaora Compound, Nr. B.J.P office, Indore-452001, Madhya Pradesh, India. **Tel No.:** 07314046319 **E-mail:** vdsndco@gmail.com **Contact Person:** Mr. DS Dhing **Membership No.:** 075588 **Firm Registration No.:** 004029C **Peer Review No:** 015445
BANKER TO THE COMPANY	**PEER REVIEW AUDITOR**
HDFC BANK LIMITED HDFC Bank, 5th floor, brilliant avenue, Vasant Vihar, Vijay Nagar, Indore-452010, Madhya Pradesh, India **Tel No.:** +91 8529379798 **Email:** kusum.sharma32@hdfcbank.com **Website :** www.hdfcbank.com **Contact Person**: Ms. Kusum Sharma	**M/S. BADAYA & CO., CHARTERED ACCOUNTANTS,** 106, Golden Sunrise, C-36(B), Near Rajdhani Hospital, Lajpat Marg, C-Scheme, Jaipur, India. **Tel No.:** +91- 9982223331 **E-mail:** rbadaya@gmail.com **Contact Person:** Mr. Rohit Badaya **Membership No.:** 078599 **Firm Registration No.:** 006395C **Peer Review No:** 013657
BANKERS TO THE ISSUE / SPONSOR BANK	**SYNDICATE MEMBER**
AXIS BANK 81, Dev Kunj, Veer Savarkar Marg, Shivaji Park, Opp HP Petrol Pump, Dadar- West, Mumbai- 400028 **Tel No.:** +91 98337 049938 **Email:** shivajipark.branchhead@axisbank.com **Website:** www.axisbank.com **Contact Person:** Ms. Moumita Guha	**GRETEX SHARE BROKING LIMITED** A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai, Mumbai-400013, Maharashtra, India. **Tel No.:** +91 022 6930 8500 **Email:** compliance@gretexbroking.com **Contact Person:** Mr. Deepak Navinchandra Shah **SEBI Registration No:** INZ000166934 **CIN:** U65900MH2010PLC289361

CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

There has been no change in the auditors of our Company during the last 3 years.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34; https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For details on Designated Branches of SCSBs collecting the Bid-cum-Application Forms, refer to the above-mentioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website www.sebi.gov. in at the following path: Home ≫ Intermediaries / Market Infrastructure Institutions ≫ Recognized intermediaries ≫ Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he / she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

SYNDICATE SCSB BRANCHES

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

INVESTORS BANKS OR ISSUER BANKS FOR UPI

In accordance with UPI Circulars, RIIs Applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41), as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as ***'Annexure A'*** to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

REGISTERED BROKERS

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, respectively, as updated from time to time.

REGISTRAR AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19 for NSDL CDPs and at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18 for CDSL CDPs as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

BROKERS TO THE ISSUE

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

STATEMENT OF RESPONSIBILITY OF THE BOOK RUNNING LEAD MANAGER / STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Gretex Corporate Services Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Book Running Lead Manager is not required.

CREDIT RATING

This being an Issue of Equity Shares, there is no requirement of credit rating for the Issue.

IPO GRADING

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is no requirement of appointing an IPO Grading Agency.

EXPERT OPINION

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated September 25, 2023 from Peer Review Auditor namely, Badaya & Co., Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in respect of its (i) examination report dated January 24, 2024 on our Restated Financial Information; and (ii) its report dated September 25, 2023 on the statement of Special Tax Benefits in this Red Herring Prospectus. Aforementioned consents have not been withdrawn as on the date of this Red Herring Prospectus.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

TRUSTEES

This is an issue of equity shares hence appointment of trustees is not required.

DEBENTURE TRUSTEES

As this is an issue of Equity Shares, the appointment of Debenture trustees is not required.

MONITORING AGENCY

Since the proceeds from the Fresh Issue does not exceed 10,000 lakhs in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

GREEN SHOE OPTION

No Green Shoe Option is applicable for this Issue.

APPRAISAL AGENCY

Our Company has not appointed any appraising agency for appraisal of the Project

FILING OF ISSUE DOCUMENT

The Draft Red Herring Prospectus is being filed with Emerge Platform of National Stock Exchange India Limited ("NSE Emerge") Exchange Plaza, C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Red Herring Prospectus / Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the RoC Office situated at Registrar of Companies, Gwalior, 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madhya Pradesh.

BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid / Issue Closing Date. Principal parties involved in the Book Building Process are: -

- Our Company;
- The Book Running Lead Manager in this case being Gretex Corporate Services Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with Exchanges and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the Book Running Lead Manager allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the "Anchor Investor Portion"), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds,

subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Issue Period and withdraw their Bids until the Bid / Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid / Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled ***"Issue Procedure"*** beginning on page 238 of the Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled ***"Issue Procedure"*** on page 238 of this Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20.00 to ₹24.00 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Amount (₹)	Cumulative Quantity	Subscription
500	24.00	500	16.67%
1000	23.00	1500	50.00%
1500	22.00	3000	100.00%
2000	21.00	5000	166.67%
2500	20.00	7500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in consultation with the Book Running Lead Manager, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled ***"Issue Procedure"*** on page 238 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

Bid / Issue Program:

Event	Indicative Dates
Bid / Issue Opening Date	Monday, February 19, 2024#
Bid / Issue Closing Date	Thursday, February 22, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Friday, February 23, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about Monday, February 26, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or about Monday, February 26, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Tuesday, February 27, 2024

Since 19th February 2024 is a Bank Holiday on account of "Chhatrapati Shivaji Maharaj Jayanti" in the state of Maharashtra, Hence, Banks will not be working on the said date. However, investors can bid through online portals.

Note [1]Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Issue Period shall be one Working Day prior to the Bid / Issue Opening Date in accordance with the SEBI ICDR Regulations

[2]Our Company in consultation with the Book Running Lead Manager, consider closing the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations.

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue Book Running Lead Manager shall be liable for compensating the Applicant at a uniform rate of 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock

Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Submission of Application Forms:

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. to 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. to 3.00***#** p.m. IST

**UPI mandate end time and date shall be at 5.00 pm on Issue / Offer Closing Date*

On the Issue Closing Date, the Applications shall be uploaded until:

I. Until 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
II. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to the Stock Exchange.

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid / Issue Closing Date, Applicants are advised to submit their applications 1(one) day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. (IST) on the Bid / Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of Bid-Cum-Application Forms are received on the Issue Closing Date, as is typically experienced in public issue, some Bid-Cum-Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Bid-Cum-Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid-Cum-Application Forms due to faults in any software / hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid / Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with Book Running Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated September 25, 2023 and addendum to the Agreement dated January 24, 2024. Pursuant to the terms of the Underwriting Agreement the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter have indicated its intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the Total Issue Size Underwritten
Gretex Corporate Services Limited A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai, Mumbai-400013, Maharashtra, India **Tel. No.:** +91 96532 49863 **Email:** info@gretexgroup.com **Website:** www.gretexcorporate.com **Contact Person:** Ms. Dimple Magharam Slun **SEBI Registration No.:** INM000012177 **CIN:** L74999MH2008PLC288128	Upto 25,74,400	[●]	50.00
Gretex Share Broking Limited A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (W), S V S Marg, Mumbai- 400028, Maharashtra, India **Tel. No.:** +91 22 40025273 **Email:** sherwoodpvtltd@yahoo.co.in **Contact Person:** Mr. Deepak Navinchandra Shah **SEBI Registration No:** INZ000166934 **Market Maker Member Code.:** 90287	Upto 25,74,400	[●]	50.00
TOTAL	**Upto 51,48,800**	**[●]**	**100.00**

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Book Running Lead Manager shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure / subscribe to Equity Shares to the extent of the defaulted amount. If the Underwriter(s) fails to fulfil its underwriting obligations as set out in the Underwriting Agreement, the Book Running Lead Manager shall fulfil the underwriting obligations in accordance with the provisions of the Underwriting Agreement.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into Market Making Agreement dated September 25, 2023 with the Book Running Lead Manager and Market Maker and addendum to the Agreement dated January 24, 2024 to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

Name	**Gretex Share Broking Limited**
Address	A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (W), S V S Marg, Mumbai- 400028, Maharashtra, India
Tel No.	+91 22 40025273
Email	sherwoodpvtltd@yahoo.co.in
Contact Person	Mr. Deepak Navinchandra Shah

CIN	U65900MH2010PLC289361
SEBI Registration No.	INZ000166934

Gretex Share Broking Limited, registered with Emerge Platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the Market Making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the Emerge Platform of National Stock Exchange of India Limited and SEBI regarding this matter from time to time.

Following is a summary of the key details pertaining to the Market Making Arrangement:

1) The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.

2) The minimum depth of the quote shall be ₹1.00 Lakhs. However, the investors with holdings of value less than ₹1.00 Lakhs shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

3) After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Equity Shares would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.

4) There shall be no exemption / threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.

5) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.

6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Gretex Share Broking Limited is acting as the sole Market Maker.

7) The shares of the Company will be traded in continuous trading session from the time and day the company gets listed at Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") and Market Maker will remain present as per the guidelines mentioned under the National Stock Exchange of India Limited and SEBI circulars.

8) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

9) The Market Maker shall have the right to terminate said arrangement by giving a three-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.

10) In case of termination of the above-mentioned Market Making Agreement prior to the completion of the compulsory Market Making Period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

11) Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin,

Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.

12) Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

13) The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

14) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores the applicable price bands for the first day shall be:

a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge").

Sr. No.	Market Price Slab (in ₹)	Proposed Spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

1) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5 % of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5 % of the Issue Size)
Up to ₹ 20 Crores	25%	24%
₹ 20 to ₹ 50 Crores	20%	19%
₹ 50 to ₹ 80 Crores	15%	14%
Above ₹ 80 Crores	12%	11%

2) All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

SECTION VI: CAPITAL STRUCTURE

The Equity Share Capital of our Company, as on the date of this Red Herring Prospectus and after giving effect to the Issue is set forth below:

Sr. No.	Particulars	Amount (₹ in Lakh except share data)	
		Aggregate Nominal Value	Aggregate value at Issue Price
A.	**Authorised Share Capital [(1)]**		
	2,24,00,000 Equity Shares of ₹ 10.00 each	2,240.00	-
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**		
	1,20,00,000 Equity Shares of ₹ 10.00 each	1200.00	-
C.	**Present Issue in terms of this Red Herring Prospectus [(2)]**		
	Issue of upto 51,48,800 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share)	Upto 514.88	[●]
	Which comprises:		
D.	**Reservation for Market Maker portion**		
	Upto 8,52,800 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share)	Upto 85.28	[●]
E.	**Net Issue to the Public[(3)]**		
	Upto 42,96,000 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●].00 per Equity Share)	Upto 429.60	[●]
	Of which [(2)]:		
	Not less than 15,04,000 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●].00 per Equity Share) will be available for allocation to Retail Individual Investors of upto ₹ 2.00 Lakh	Not less than 150.40	[●]
	Not more than 21,47,200 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) will be available for allocation to Qualified Institutional Buyers of above ₹ 2.00 Lakhs	Not more than 214.72	[●]
	Not less than 6,44,800 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) will be available for allocation to Non-Institutional Investors of above ₹ 2.00 Lakh	Not less than 64.48	[●]
F.	**Issued, Subscribed and Paid-up Share Capital after the Issue**		
	Upto 1,71,48,800[(4)] Equity Shares of ₹ 10.00 each	Upto 1,714.88	-
G.	**Securities Premium Account**		
	Before the Issue	-	
	After the Issue	[●]	

*[(1)]For details in relation to the changes in the authorised share capital of our Company, please refer to section titled "**History and Certain Other Corporate Matters – Amendments to our Memorandum of Association**" on page 145.*

[(2)] The Issue has been authorized by a resolution of our Board of Directors through their meeting dated September 16, 2023 and by a special resolution of our Shareholders at Extra-ordinary General Meeting dated September 16, 2023.

[(3)] Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

(4) Assuming Full Subscription

CLASS OF SHARES

As on date of this Red Herring Prospectus, our Company has only one class of shares i.e., Equity Shares of ₹10.00 each. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of this Red Herring Prospectus.

NOTES TO CAPITAL STRUCTURE

1. Changes in Authorized Equity Share Capital of our Company

Sr. No.	Particulars of increase	Cumulative No. of Equity Shares	Face Value (₹)	Cumulative Authorized Share Capital	Date of Meeting	Whether AGM / EGM
1.	On Incorporation	20,000	10.00	2,00,000.00	Incorporation	N.A.
2.	Increase in Authorise Capital	1,10,000	10.00	11,00,000.00	May 27, 2004	EGM
3.	Increase in Authorise Capital	2,00,000	10.00	20,00,000.00	February 26, 2006	EGM
4.	Increase in Authorise Capital	4,00,000	10.00	40,00,000.00	May 20, 2015	EGM
5.	Increase in Authorise Capital	24,00,000	10.00	2,40,00,000.00	March 30, 2019	EGM
6.	Increase in Authorise Capital	2,24,00,000	10.00	22,40,00,000.00	August 21, 2023	EGM

2. History of Issued and Paid-Up Share Capital of our Company

The history of the equity share capital of our Company is set forth below:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
Upon Incorporation	2,000	10.00	10.00	Cash	Subscriber to the MOA (I)	2,000	20,000.00	0.00
February 8, 2002	8,500	10.00	10.00	Cash	Further Allotment (II)	10,500	1,05,000.00	0.00
March 9, 2005	99,500	10.00	10.00	Cash	Further Allotment (III)	1,10,000	11,00,000.00	0.00
March 25, 2008	90,000	10.00	10.00	Cash	Further Allotment (IV)	2,00,000	20,00,000.00	0.00
August 03, 2015	50,000	10.00	20.00	Cash	Preferential Issue (V)	2,50,000	25,00,000.00	5,00,000.00
September 02, 2015	50,000	10.00	20.00	Cash	Preferential Issue (VI)	3,00,000	30,00,000.00	5,00,000.00
December 21, 2015	1,00,000	10.00	20.00	Cash	Preferential Issue (VII)	4,00,000	40,00,000.00	10,00,000.00
September 23, 2023	1,16,00,000	10.00	0.00	Other than Cash	Bonus Issue (VIII)	1,20,00,000	12,00,00,000.00	-

i. Initial Subscribers to the Memorandum of Association of our Company on November 15, 2000:

Sr. No	Names of Allottees	Number of Equity Shares
1	Ramniklal T. Soni	1,000
2	Mukesh Jain	1,000
	Total	**2,000**

ii. Further Issue of 8,500 Equity Shares for allotment dated February 08, 2002 of Face Value of ₹10.00 each as per details given below on:

Sr. No	Names of Allottees	Number of Equity Shares
1	Bhupesh Soni	1,000
2	Daksha Soni	500
3	Saroj Soni	1,000
4	Ghanshyam Das Soni	1,000
5	Atul Soni	1,000
6	Pramod Soni	500
7	Bharat Soni	500
8	Deepak Soni	500
9	Dinesh Soni	500
10	Gunvant Raj Soni	500
11	Basantlal Soni	500
12	Yogesh C Soni	500
13	Bharat Kadecha	500
	Total	**8,500**

iii. Further Issue of 99,500 Equity Shares for allotment dated March 09, 2005 of Face Value of ₹10.00 each as per details given below:

Sr. No	Names of Allottees	Number of Equity Shares
1	Ramniklal T. Soni	15,650
2	Bhupesh Soni	17,430
3	Pramod Soni	1,000
4	Saroj Soni	5,100
5	Kamlesh Soni	1,300
6	Bharat Soni	1,000
7	Bharat Wariya	100
8	Natwar Lal Wariya	100
9	Veena Soni	800
10	Ghanshyam Das Soni	3,400
11	Atul Soni	2,900
12	Gunvant Raj Soni	100
13	Yogesh C Soni	500
14	Yogesh N. Mehta	2,500
15	Bharat Kadecha	500
16	Ajay Singh Dassundi	5,090
17	Arjun Singh Dassundi	6,200
18	Rajendra Singh Dassundi	4,900
19	Suresh Singh Chouhan	2,500
20	Sandeep Bhardwaj	6,530
21	Santosh Bhardwaj	2,700
22	Basantlal Soni	500
23	Vijay Tiwari	1,500
24	Tarlika Mehta	1,000
25	Sourabh Agrawal	1,000
26	Govind Das Agrawal	2,000
27	Jaisingh Thakur	1,500
28	Dilip Kumar Dawani	500
29	S. K. Mandaviya	100
30	Laxminarayan Gupta	100
31	Harish Patel	1,000
32	Bholaram B. Patel	1,000
33	Dinesh Patel	500
34	Uday Pandey	800
35	Deepak Singh Kushawaha	1,000
36	Ajay Singh Kushawaha	2,900
37	Dinesh Joshi	500

38	Vijay Patel	500
39	Rajendra Dadhich	500
40	Narendra B. Shah	500
41	Dharmichand Patel	1,000
42	Abhay Agarwal	500
43	Gopal Parkha	300
	Total	**99,500**

iv. Further Issue of 90,000 Equity Shares for allotment dated March 25, 2008 of Face Value of ₹10.00 each as per details given below:

Sr. No	Names of Allottees	Number of Equity Shares
1	Ramniklal T. Soni	12,400
2	Bhupesh Soni	3,600
3	Daksha Soni	1,100
4	Saroj Soni	2,900
5	Ghanshyam Das Soni	1,900
6	Atul Soni	1,900
7	Pramod Soni	1,900
8	Deepak Soni	1,900
9	Gunvant Raj Soni	1,800
10	Basantlal Soni	900
11	Bharat Soni	900
12	Kamlesh Soni	900
13	Bharat Kadecha	900
14	Yogesh C Soni	1,900
15	Bharat Wariya	1,800
16	Natwar Lal Wariya	1,800
17	Veena Soni	1,900
18	Yogesh N. Mehta	1,800
19	Ajay Singh Dassundi	2,000
20	Rajendra Singh Dassundi	2,900
21	Suresh Singh Chouhan	1,600
22	Santosh Bhardwaj	2,900
23	Vijay Tiwari	400
24	Tarlika Mehta	900
25	Sourabh Agrawal	900
26	Govind Das Agrawal	2,400
27	Jaisingh Thakur	1,400
28	Dilip Kumar Dawani	1,400
29	S. K. Mandaviya	1,800
30	Laxminarayan Gupta	400
31	Harish Patel	1,900
32	Bholaram B. Patel	1,900
33	Dinesh Patel	1,900
34	Uday Pandey	1,900
35	Deepak Singh Kushawaha	4,900
36	Ajay Singh Kushawaha	1,900
37	Dinesh Joshi	1,400
38	Ajay Patel	1,400
39	Rajendra Dadhich	1,400
40	Narendra B. Shah	1,400
41	Dharmichand Patel	900
42	Abhay Agarwal	1,400
43	Gopal Parkha	1,600
44	Deepak Waria	1,900
45	Poonam Chand Sharma	1,000
46	Sandeep Bhardwaj	2,000
	Total	**90,000**

v. **Preferential Issue of 50,000 Equity Shares for allotment dated August 03, 2015 of Face Value of ₹10.00 each as per details given below:**

Sr. No.	Name	No. of Equity Shares
1	Sandeep Bhardwaj	25,000
2	Ajay Singh Dassundi	25,000
	TOTAL	**50,000**

vi. **Preferential Issue of 50,000 Equity Shares for allotment dated September 02, 2015 of Face Value of ₹10.00 each as per details given below:**

Sr. No.	Name	No. of Equity Shares
1	Sandeep Bhardwaj	25,000
2	Ajay Singh Dassundi	25,000
	TOTAL	**50,000**

vii. **Preferential Issue of 1,00,000 Equity Shares for allotment dated December 21, 2015 of Face Value of ₹10.00 each as per details given below:**

Sr. No.	Name	No. of Equity Shares
1	Sandeep Bhardwaj	50,000
2	Ajay Singh Dassundi	50,000
	TOTAL	**1,00,000**

viii. **Bonus Issue of 11,600,000 Equity Shares for allotment dated September 23, 2023 of Face Value of ₹10.00 each in the ratio of 29:1 i.e., 29 (Twenty Nine) Bonus Equity Shares for 1 (One) equity share as per details given below:**

Sr. No.	Name	No. of Equity Shares
1	Bhupesh Soni	33,45,614
2	Ajay Singh Dassundi	37,33,257
3	Sandeep Bhardwaj	35,44,757
4	Jaywanti Soni	4,87,200
5	Saroj Soni	33,872
6	Anjali Dassundi	1,33,400
7	Priyanka Bharadwaj	3,21,900
	TOTAL	**1,16,00,000**

3. Except mentioned in point viii above, we have not issued any Equity Shares for consideration other than cash.

4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.

5. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.

6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

7. Issue of Equity Shares at price lower than the Issue Price during the preceding 1 (one) year

Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of this Red Herring Prospectus, except as disclosed below:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
	1,16,00,000	10.00	-			Bhupesh Soni	33,45,614

September 23, 2023				Bonus Issue (VIII)	Capitalization of Reserves & Surplus*	Ajay Singh Dassundi	37,33,257
						Sandeep Bhardwaj	35,44,757
						Jaywanti Soni	4,87,200
						Saroj Soni	33,872
						Anjali Dassundi	1,33,400
						Priyanka Bharadwaj	3,21,900
Total							**1,16,00,000**

**Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.*

8. Our Shareholding Pattern

a) The table below presents the current shareholding pattern of our Company as on the date of this Red Herring Prospectus

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)=	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class	Total								
A	Promoters & Promoter Group	7	1,20,00,000	-	-	1,20,00,000	100.00	1,20,00,000	-	1,20,00,000	100.00	-	100.00	-	-	-	-	1,20,00,000
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Non - Promoter Non - Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**7**	**1,20,00,000**	**-**	**-**	**1,20,00,000**	**100.00**	**1,20,00,000**	**-**	**1,20,00,000**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**1,20,00,000**

Notes:

a) As on date of this Red Herring Prospectus 1 Equity share holds 1 vote.

b) We have only one class of Equity Shares of face value of ₹10.00 each.

c) Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the Stock Exchange before commencement of trading of such Equity Shares.

b) Equity Shareholding of Directors and Key Managerial Personnel and senior management in our Company:

Except as stated below, none of our Directors or Key Managerial Personnel or senior management hold any Equity Shares in our Company:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital*
1	Bhupesh Soni	34,60,980	28.84	34,60,980	20.18
2	Ajay Singh Dassundi	38,61,990	32.18	38,61,990	22.52
3	Sandeep Bhardwaj	36,66,990	30.56	36,66,990	21.38
	Total	**1,09,89,960**	**91.58**	**1,09,89,960**	**64.09**

** Assuming Full Subscription*

c) List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Red Herring Prospectus:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Bhupesh Soni	34,60,980	28.84%
2	Ajay Singh Dassundi	38,61,990	32.18%
3	Sandeep Bhardwaj	36,66,990	30.56%
4	Jaywanti Soni	5,04,000	4.20%
5	Anjali Dassundi	1,38,000	1.15%
6	Priyanka Bharadwaj	3,33,000	2.78%
	Total	**1,19,64,960**	**99.71%**

d) List of shareholders holding 1% or more of the paid-up capital of our company as on date ten days prior to the date of this Red Herring Prospectus:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Bhupesh Soni	34,60,980	28.84%
2	Ajay Singh Dassundi	38,61,990	32.18%
3	Sandeep Bhardwaj	36,66,990	30.56%
4	Jaywanti Soni	5,04,000	4.20%
5	Anjali Dassundi	1,38,000	1.15%
6	Priyanka Bharadwaj	3,33,000	2.78%
	Total	**1,19,64,960**	**99.71%**

e) List of shareholders holding 1% or more of the paid-up capital of our company as on date one year prior to the date of this Red Herring Prospectus:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Bhupesh Soni	78,730	19.68%
2	Ajay Singh Dassundi	1,14,690	28.67%
3	Sandeep Bhardwaj	1,22,030	30.51%
4	Jaywanti Soni	16,800	4.20%
5	Saroj Soni	38,050	9.51%
6	Anjali Dassundi	4,600	1.15%
7	Priyanka Bharadwaj	11,100	2.78%
8	Arjun Singh Dassundi	6,200	1.55%
9	Rajendra S. Dassundi	7,800	1.95%
	Total	**4,00,000**	**100.00%**

f) List of shareholders holding 1% or more of the paid-up capital of our company as on date two year prior to the date of this Red Herring Prospectus:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Bhupesh Soni	78,730	19.68%
2	Ajay Singh Dassundi	1,14,690	28.67%
3	Sandeep Bhardwaj	1,22,030	30.51%
4	Jaywanti Soni	16,800	4.20%
5	Saroj Soni	38,050	9.51%

6	Anjali Dassundi	4,600	1.15%
7	Priyanka Bharadwaj	11,100	2.78%
8	Arjun Singh Dassundi	6,200	1.55%
9	Rajendra S. Dassundi	7,800	1.95%
	Total	**4,00,000**	**100.00%**

9. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Red Herring Prospectus.

10. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue.

12. Our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

13. **Details of our Promoters Shareholding.**

As on the date of this Red Herring Prospectus, our Promoters Mr. Bhupesh Soni, Mr. Ajay Singh Dassundi and Mr. Sandeep Bhardwaj holds 91.58% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

Build-up of our Promoters' shareholding in our Company:

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-Issue equity share capital	% of post Issue equity share capital*
Mr. Bhupesh Soni							
February 08, 2002	1,000	10.00	10.00	Cash	Further Allotment	0.01	0.01
March 01, 2002	1,000	10.00	10.00	Cash	Transfer from Mukesh Jain	0.01	0.01
March 09, 2005	17,430	10.00	10.00	Cash	Further Allotment	0.15	0.10
March 25, 2008	3,600	10.00	10.00	Cash	Further Allotment	0.03	0.02
March 31, 2016	2,900	10.00	10.00	Cash	Transfer from Jaisingh Thakur	0.02	0.02
March 31, 2016	1,900	10.00	10.00	Cash	Transfer from S. K. Mandaviya	0.02	0.01
March 31, 2016	500	10.00	10.00	Cash	Transfer from Lakshminarayan Gupta	0.00	0.00
March 31, 2016	1,900	10.00	10.00	Cash	Transfer from Dinesh Joshi	0.02	0.01
March 7, 2018	1,600	10.00	10.00	Cash	Transfer from Daksha Soni	0.01	0.01
March 7, 2018	6,300	10.00	10.00	Cash	Transfer from Ganshyamdas Soni	0.05	0.04
March 7, 2018	5,800	10.00	10.00	Cash	Transfer from Atul Soni	0.05	0.03
March 7, 2018	3,400	10.00	10.00	Cash	Transfer from Pramod Soni	0.03	0.02

March 7, 2018	2,400	10.00	10.00	Cash	Transfer from Bharat Soni	0.02	0.01
March 7, 2018	2,400	10.00	10.00	Cash	Transfer from Deepak Soni	0.02	0.01
March 7, 2018	500	10.00	10.00	Cash	Transfer from Dinesh Soni	0.00	0.00
March 7, 2018	2,400	10.00	10.00	Cash	Transfer from Gunwant Soni	0.02	0.01
March 7, 2018	1,900	10.00	10.00	Cash	Transfer from Basantlal Soni	0.02	0.01
March 7, 2018	2,900	10.00	10.00	Cash	Transfer from Yogesh C. Soni	0.02	0.02
March 7, 2018	1,900	10.00	10.00	Cash	Transfer from Bharat Kadecha	0.02	0.01
March 7, 2018	2,200	10.00	10.00	Cash	Transfer from Kamlesh Soni	0.02	0.01
March 7, 2018	1,900	10.00	10.00	Cash	Transfer from Bharat Wariya	0.02	0.01
March 7, 2018	2,700	10.00	10.00	Cash	Transfer from Veena Soni	0.02	0.02
March 7, 2018	4,300	10.00	10.00	Cash	Transfer from Yogesh N. Mehta	0.04	0.03
March 7, 2018	5,900	10.00	10.00	Cash	Transfer from Deepak Singh Khushawa	0.05	0.03
March 20, 2023	38,050	10.00	-	Other than Cash	Gift from Saroj Soni	0.32	0.22
June 19, 2023	-1,168	10.00	-	Other than Cash	Gift to Saroj Soni	-0.01	-0.01
September 23, 2023	-203	10.00	450.00	Cash	Transfer to Sandeep Bhardwaj	-0.00	-0.00
September 23, 2023	-43	10.00	450.00	Cash	Transfer to Ajay Singh Dassundi	-0.00	-0.00
September 23, 2023	33,45,614	10.00	-	Other than Cash	Bonus Allotment	27.88	19.51
	34,60,980					**28.84**	**20.18**
Mr. Ajay Singh Dassundi							
March 09, 2005	5,090	10.00	10.00	Cash	Further Allotment	0.04	0.03
March 25, 2008	2,000	10.00	10.00	Cash	Further Allotment	0.02	0.01
August 03, 2015	25,000	10.00	20.00	Cash	Preferential Allotment	0.21	0.15
September 02, 2015	25,000	10.00	20.00	Cash	Preferential Allotment	0.21	0.15
December 21, 2015	50,000	10.00	20.00	Cash	Preferential Allotment	0.42	0.29
March 31, 2016	1,900	10.00	10.00	Cash	Transfer from Abhay Agarwal	0.02	0.01
March 31, 2016	1,900	10.00	10.00	Cash	Transfer from Gopal Parkha	0.02	0.01
March 31, 2016	1,900	10.00	10.00	Cash	Transfer from Vijay Patel	0.02	0.01
March 31, 2016	1,900	10.00	10.00	Cash	Transfer from Natwarlal Wariya	0.02	0.01
March 20, 2023	6,200	10.00	-	Other than Cash	Gift from Arjun Singh Dassundi	0.05	0.04

June 19, 2023	7,800	10.00	-	Other than Cash	Gift from Rajendra Singh Dassundi	0.07	0.05
September 23, 2023	43	10.00	450.00	Cash	Transfer from Bhupesh Soni	0.00	0.00
September 23, 2023	37,33,257	10.00	-	Other than Cash	Bonus Allotment	31.11	21.77
	38,61,990					**32.18**	**22.52**
Mr. Sandeep Bhardwaj							
March 09, 2005	6,530	10.00	10.00	Cash	Further Allotment	0.05	0.04
March 25, 2008	2,000	10.00	10.00	Cash	Further Allotment	0.02	0.01
August 03, 2015	25,000	10.00	20.00	Cash	Preferential Allotment	0.21	0.15
September 02, 2015	25,000	10.00	20.00	Cash	Preferential Allotment	0.21	0.15
December 21, 2015	50,000	10.00	20.00	Cash	Preferential Allotment	0.42	0.29
March 31, 2016	4,100	10.00	10.00	Cash	Transfer from Suresh Singh Chouhan	0.03	0.02
March 31, 2016	1,900	10.00	10.00	Cash	Transfer from Rajendra Dadhich	0.02	0.01
March 31, 2016	1,900	10.00	10.00	Cash	Transfer from Narendra B Shah	0.02	0.01
March 7, 2018	5,600	10.00	10.00	Cash	Transfer from Sandeep Bhardwaj	0.05	0.03
September 23, 2023	203	10.00	450.00	Cash	Transfer from Bhupesh Soni	0.00	0.00
September 23, 2023	35,44,757	10.00	-	Other than Cash	Bonus Allotment	29.54	20.67
	36,66,990					**30.56**	**21.38**

** Assuming Full Subscription*

Notes:

a) None of the shares belonging to our Promoters have been pledged till date.

b) The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Red Herring Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations

c) All the shares held by our Promoter, were fully paid-up on the respective dates of acquisition of such shares

The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding*
A)	**Promoters**				
1.	Bhupesh Soni	34,60,980	28.84	34,60,980	20.18
2.	Ajay Singh Dassundi	38,61,990	32.18	38,61,990	22.52
3.	Sandeep Bhardwaj	36,66,990	30.56	36,66,990	21.38
	Total (A)	**1,09,89,960**	**91.58**	**1,09,89,960**	**64.09**
B)	**Promoter Group**				
4.	Jaywanti Soni	5,04,000	4.20	5,04,000	2.94
5.	Saroj Soni	35,040	0.29	35,040	0.20
6.	Anjali Dassundi	1,38,000	1.15	1,38,000	0.80

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding*
7.	Priyanka Bharadwaj	3,33,000	2.78	3,33,000	1.94
	Total (B)	**10,10,040**	**8.42**	**10,10,040**	**5.89**
	Total (A+B)	**1,20,00,000**	**100.00**	**1,20,00,000**	**69.98**

** Assuming Full Subscription*

14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Bhupesh Soni	34,60,980	0.20
2.	Ajay Singh Dassundi	38,61,990	0.56
3.	Sandeep Bhardwaj	36,66,990	0.63

15. We have 07 (Seven) Shareholders as on the date of this Red Herring Prospectus

16. We hereby confirm that:

There has been no acquisition, sale or transfer of Equity Shares by our Promoter, Promoter Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Red Herring Prospectus other than the following:

Date of Allotment / Transfer	Name of Shareholder	No. of Equity Shares allotted / Transferred / Acquired	% of Pre-Issue Capital	Subscribed / Acquired / Transfer	Category of Allottees (Promoters / Promoter Group
June 19, 2023	Rajendra Singh Dassundi	-7,800	-0.07	Gift to Ajay Singh Dassundi	Promoter Group
June 19, 2023	Ajay Singh Dassundi	7,800	0.07	Gift from Rajendra Singh Dassundi	Promoter
June 19, 2023	Bhupesh Soni	-1,168	0.00	Gift to Saroj Soni	Promoter
June 19, 2023	Saroj Soni	1,168	0.00	Gift from Bhupesh Soni	Promoter Group
September 23, 2023	Bhupesh Soni	-203	0.00	Transfer to Sandeep Bhardwaj	Promoter
September 23, 2023	Sandeep Bhardwaj	203	0.00	Transferred from Bhupesh Soni	Promoter
September 23, 2023	Bhupesh Soni	-43	0.00	Transfer to Ajay Singh Dassundi	Promoter
September 23, 2023	Ajay Singh Dassundi	43	0.00	Transferred from Bhupesh Soni	Promoter
September 23, 2023	Bhupesh Soni	33,45,614	27.88	Bonus Issue	Promoter
September 23, 2023	Ajay Singh Dassundi	37,33,257	31.11	Bonus Issue	Promoter
September 23, 2023	Sandeep Bhardwaj	35,44,757	29.54	Bonus Issue	Promoter
September 23, 2023	Jaywanti Soni	4,87,200	4.06	Bonus Issue	Promoter Group
September 23, 2023	Saroj Soni	33,872	0.28	Bonus Issue	Promoter Group
September 23, 2023	Anjali Dassundi	1,33,400	1.11	Bonus Issue	Promoter Group
September 23, 2023	Priyanka Bharadwaj	3,21,900	2.68	Bonus Issue	Promoter Group

No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Red Herring Prospectus.

17. Details of Promoters' Contribution and Lock-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution ("Promoter's Contribution") and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Red Herring Prospectus, our Promoters hold 1,09,89,960 Equity Shares constituting 64.09 % of the Post-Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoters have given written consent to include 34,32,000 Equity Shares held by them and subscribed by them as part of Promoters' Contribution constituting 20.01% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment / transfer and made fully paid up	No. of Equity Shares locked in*	Face Value Per Share (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %*	Lock in Period
Mr. Bhupesh Soni						
February 08, 2002	1,000.00	10.00	10.00	Further Allotment	0.01	3 years
March 01, 2002	1,000.00	10.00	10.00	Transfer from Mukesh Jain	0.01	3 years
March 09, 2005	17,430.00	10.00	10.00	Further Allotment	0.10	3 years
March 25, 2008	3,600.00	10.00	10.00	Further Allotment	0.02	3 years
March 31, 2016	2,900.00	10.00	10.00	Transfer from Jaisingh Thakur	0.02	3 years
March 31, 2016	1,900.00	10.00	10.00	Transfer from S. K. Mandaviya	0.01	3 years
March 31, 2016	500.00	10.00	10.00	Transfer from Lakshminarayan Gupta	0.00	3 years
March 31, 2016	1,900.00	10.00	10.00	Transfer from Dinesh Joshi	0.01	3 years
March 7, 2018	1,600.00	10.00	10.00	Transfer from Daksha Soni	0.01	3 years
March 7, 2018	6,300.00	10.00	10.00	Transfer from Ganshyamdas Soni	0.04	3 years
March 7, 2018	5,800.00	10.00	10.00	Transfer from Atul Soni	0.03	3 years
March 7, 2018	3,400.00	10.00	10.00	Transfer from Pramod Soni	0.02	3 years
March 7, 2018	2,400.00	10.00	10.00	Transfer from Bharat Soni	0.01	3 years
March 7, 2018	2,400.00	10.00	10.00	Transfer from Deepak Soni	0.01	3 years
March 7, 2018	500.00	10.00	10.00	Transfer from Dinesh Soni	0.00	3 years
March 7, 2018	2,400.00	10.00	10.00	Transfer from Gunwant Soni	0.01	3 years
March 7, 2018	1,900.00	10.00	10.00	Transfer from Basantlal Soni	0.01	3 years
March 7, 2018	2,900.00	10.00	10.00	Transfer from Yogesh C. Soni	0.02	3 years
March 7, 2018	1,900.00	10.00	10.00	Transfer from Bharat Kadecha	0.01	3 years
March 7, 2018	2,200.00	10.00	10.00	Transfer from Kamlesh Soni	0.01	3 years

March 7, 2018	1,900.00	10.00	10.00	Transfer from Bharat Wariya	0.01	3 years
March 7, 2018	2,700.00	10.00	10.00	Transfer from Veena Soni	0.02	3 years
March 7, 2018	4,300.00	10.00	10.00	Transfer from Yogesh N. Mehta	0.03	3 years
March 7, 2018	5,900.00	10.00	10.00	Transfer from Deepak Singh Khushawa	0.03	3 years
September 23, 2023	10,65,270.00	10.00	-	Bonus Allotment	6.21	3 years
Total	**11,44,000.00**				**6.67**	
Mr. Ajay Singh Dassundi						
March 09, 2005	5,090.00	10.00	10.00	Further Allotment	0.03	3 years
March 25, 2008	2,000.00	10.00	10.00	Further Allotment	0.01	3 years
August 03, 2015	25,000.00	10.00	20.00	Preferential Allotment	0.15	3 years
September 02, 2015	25,000.00	10.00	20.00	Preferential Allotment	0.15	3 years
December 21, 2015	50,000.00	10.00	20.00	Preferential Allotment	0.29	3 years
March 31, 2016	1,900.00	10.00	10.00	Transfer from Abhay Agarwal	0.01	3 years
March 31, 2016	1,900.00	10.00	10.00	Transfer from Gopal Parkha	0.01	3 years
March 31, 2016	1,900.00	10.00	10.00	Transfer from Vijay Patel	0.01	3 years
March 31, 2016	1,900.00	10.00	10.00	Transfer from Natwarlal Wariya	0.01	3 years
September 23, 2023	10,29,310.00	10.00	-	Bonus Allotment	6.00	3 years
Total	**11,44,000.00**				**6.67**	
Mr. Sandeep Bhardwaj						
March 09, 2005	6,530.00	10.00	10.00	Further Allotment	0.04	3 years
March 25, 2008	2,000.00	10.00	10.00	Further Allotment	0.01	3 years
August 03, 2015	25,000.00	10.00	20.00	Preferential Allotment	0.15	3 years
September 02, 2015	25,000.00	10.00	20.00	Preferential Allotment	0.15	3 years
December 21, 2015	50,000.00	10.00	20.00	Preferential Allotment	0.29	3 years
March 31, 2016	4,100.00	10.00	10.00	Transfer from Suresh Singh Chouhan	0.02	3 years
March 31, 2016	1,900.00	10.00	10.00	Transfer from Rajendra Dadhich	0.01	3 years
March 31, 2016	1,900.00	10.00	10.00	Transfer from Narendra B Shah	0.01	3 years
March 7, 2018	5,600.00	10.00	10.00	Transfer from Sandeep Bhardwaj	0.03	3 years
September 23, 2023	10,21,970.00	10.00	-	Bonus Allotment	5.96	3 years
Total	**11,44,000.00**				**6.67**	

**Assuming full subscription*

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

a) The Equity Shares offered for minimum 20% Promoter's Contribution have not been acquired in the three years preceding the date of this Red Herring Prospectus for consideration other than cash and revaluation of assets or

capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;

b) The minimum Promoter's contribution does not include Equity Shares acquired during the one year preceding the date of this Red Herring Prospectus at a price lower than the Issue Price;

c) No equity shares have been issued to our Promoters upon conversion of a partnership firm during the preceding one year at a price less than the Issue Price

d) The Equity Shares held by the Promoters and offered for minimum Promoter's contribution are not subject to any pledge;

e) All the Equity Shares of our Company held by the Promoters are in dematerialized form and

f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoters contribution subject to lock-in.

We further confirm that our Promoter's Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

18. Equity Shares locked-in for one year other than Minimum Promoters' Contribution

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter's contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 85,68,000 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

19. Inscription or Recording of non-transferability

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

20. Pledge of Locked in Equity Shares

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan;

if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

21. Transferability of Locked in Equity Shares

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of SEBI (SAST) Regulations, 2011 as applicable;

The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoter Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoter's Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

22. Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

23. As on date of this Red Herring Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

24. As on the date of filing of this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.

25. As on the date of this Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

26. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "***Issue Procedure***" beginning on page 238 of this Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.

27. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

28. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.

29. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

30. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.

31. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.

32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.

33. There are no Equity Shares against which depository receipts have been issued.

34. As per RBI regulations, OCBs are not allowed to participate in this issue

35. This Issue is being made through Book Built Method.

36. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. No

payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.

37. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

38. None of our Promoters and Promoter Group will participate in the Issue.

Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

SECTION VII: PARTICULARS OF THE ISSUE

OBJECT OF THE ISSUE

The Issue includes a fresh Issue of upto 51,48,800 Equity Shares at an Issue Price of ₹ [●] per Equity Share.

FRESH ISSUE

The details of the proceeds of the Fresh Issue are summarized below:

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds from the Fresh Issue	[●]
Less: Issue related expenses*	[●]
Net Proceeds of the Fresh Issue	[●]

**These expenses do not include any GST chargeable or TDS deductible.*

REQUIREMENTS OF FUNDS

Our Company intends to utilize the Net Fresh Issue Proceeds for the following Objects ("Objects of the Issue"):

a) Purchase of Machinery & Equipments for Setting up New Unit

b) Existing Manufacturing Block Upgradation

c) Working Capital Requirements

d) General Corporate Purposes.

In addition to the aforementioned objects, our Company intends to strengthen its capital base and expects to receive the benefits of listing of the Equity Shares on the Stock Exchange, including among other things, enhancing the visibility of our brand and our Company among our existing and potential customers.

We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities. Our company is engaged in the process of Manufacturing and trading of Pharmaceutical products. The main object clause and the ancillary object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through the Issue. The existing activities of our Company are within the object clause of our Memorandum. The Fund requirement and deployment is based on internal management estimates and has not been appraised by any bank and financial institution.

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF NET PROCEEDS

The Net Fresh Issue Proceeds are proposed to be used in the manner set out in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Total Estimated Expenditure	Amount Deployed till Date of Filing this Document	Amount to be Financed from Net Proceeds	Estimated deployment of Net Proceeds by the Financial Year ended March 31, 2024
1	Purchase of Machinery & Equipments for Setting up New Unit	1,060.99	--	1,060.99	1,060.99
2	Existing Manufacturing Block Upgradation	210.59	--	210.59	210.59
3	Working Capital Requirements	4,532.73	--	1,200.00	1,200.00
4	General Corporate Purposes*	[●]	--	[●]	[●]
	Total	[●]	--	[●]	[●]

**General Corporate Purpose shall not exceed 25% of the Net Issue Proceeds*

Means of Finance:

The above-mentioned fund requirement will be met from the proceeds of the Issue. We intend to fund the shortfall, if any, from internal accruals.

Since the fund requirements set out for the aforesaid Objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI (ICDR) Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

The fund requirements are based on internal management estimates and have not been appraised by any bank or financial institution or any other independent agency. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the chapter titled *"**Risk Factors**"* beginning on page 28 of this Red Herring Prospectus.

1) Purchase of Machinery & Equipments for Setting up New Unit

Our company owns land located at K. No. 72/3, 74/1/1, 75/1/1, Village Muradpura, Depalpur, Indore, Madhya Pradesh-453001 measuring 0.885 hectare on which, as an anticipated plan of expansion, our company intends to set up additional manufacturing units for new products, details of which is mentioned below. By expanding our offerings to include Tablet and Liquid Orals to our portfolio, we are not only diversifying our portfolio but also expanding our market reach. The construction of shed and other civil works is proposed to be funded from our internal accruals and borrowings. We intend to deploy ₹1,074.82 Lakhs towards purchase of plant, machinery and equipment for these units.

Our company is constructing the shed at the adjacent land to the existing Factory of the Company and the said construction will be enhancement of the existing Factory Capacity. The construction of shed and other civil works is proposed to be funded from internal accruals and current borrowings of the Company. The construction will be amounting to approximately ₹ 5.00 Crores. The Company has received cash credit from Punjab National Bank and company will be using the said funding amounting to approximately ₹ 3.00 Crore. The difference amount of ₹ 2.00 Crores will be funded by the receivables in the company and funding from Promoters in the form of Loan. The Construction is planned to be completed tentatively by March 2024.

- **Tablet Manufacturing Unit**

Our company is in process of setting up unit for manufacturing of tablet for which we intend to make capital expenditure towards purchase of plant & machinery amounting to ₹868.62 Lakhs based on the quotation received from various vendors as pe the details below mentioned: -

Sr. No.	Product Description	Qty	Amount (₹ in Lakhs)*	Quotation details
1	Vibro Sifter 36" Dia GMP Model	2	6.43	Figures are based on the Quotation received from Anchor Mark Private Limited dated January 30, 2024 with a validity of 30 days.
2	Rapid Mixer Granulator 600 Ltrs	2	53.61	
3	Built In Co-Mill attachment	2	10.89	
4	Fluid Bed Dryer 250 kg	2	88.46	

5	Multimill Production Model 5 HP	2	8.98	
6	Steam Heating Tilting Starch Paste Kettle	2	10.02	
7	Accura double rotary press	2	87.00	Figures are based on the Quotation received from Fluidpack dated January 03, 2024 with a validity of 90 days.
8	Accura dust extractor	4	11.40	
9				
10	Accura double rotary press	2	12.50	
11	Automatic tablet coating system	2	105.86	Figures are based on the Quotation received from Anchor Mark Private Limited dated January 30, 2024 with a validity of 30 days.
12	Powder Vaccum Transfer System	2	14.78	
13	Fully automatic blister packing machine- Model 240 Plus	4	44.00	Figures are based on the Quotation received from Accurate Machines dated February 03, 2024 with a validity of 60 days.
14	Complete set of change parts.	10	8.50	
15	GMP model strip packing m/c. with one set of change part	1	6.42	Figures are based on the Quotation received from Satellite Engineers dated January 27, 2024 with a validity of 30 days.
16	**Utilities:**			
	Rotary Screw Compressor	1	11.45	Based on the Quotation received from MVS Technotrade dated January 05, 2024 with a validity of 60 days.
	Air Dryer	1	2.75	
	Air Receiver	1	0.67	
	Lift	2	12.81	Based on the Quotation received from M. D. Elevators dated January 30, 2024 with a validity of 30 days.
	HVAC System	1	300.00	Based on the Purchase Order made to Contect Airflow Projects Private Limited dated February 02, 2024.
	Steam Boiler	1	48.50	Based on the Quotation received from Rakhoh Industries Pvt. Ltd. dated January 29, 2024 with a validity of 10 days.
	KV transformer	1	23.59	Based on the Quotation received from Shree Mehi Power Trasnformers dated February 01, 2024 with a validity of 15 days.
Total			**868.62**	

**Above estimates are exclusive of GST*

- **Liquid Oral Segment**

Our company is in process of setting up a manufacturing unit of liquid oral for which we intend to make capital expenditure towards purchase of plant & machinery amounting to ₹192.37 Lakhs based on the quotation received from various vendors as pe the details below mentioned: -

Sr. No.	Product Description	Qty	Amount (₹ in Lakhs)	Quotation details
1	Automatic High Speed Bottle Filling Line	1	89.77	Figures Based on quotation dated January 30, 2024 from Anchor Mark Private Limited with a validity of 30 days
2	Syrup manufacturing plant – 4000 litres capacity	1	102.60	Figures Based on quotation dated January 01, 2024 from GMP Mach Pro with a validity of 60 days.
Total			**192.37**	

2) Existing Manufacturing Block Upgradation

Our present factory is situated at K.No 72/5, Village Muradapur, Tehsil-Depalpur, Indore which consists mainly of a syrup plant and other pharmaceutical products are also being manufactured there. To enhance the quality and production capacity of the existing plant, we intend to deploy ₹210.59 Lakhs towards the purchase of additional parts and equipment. This addition will result in optimum utilization of resources and better productivity in terms of quality. The details of such equipment are mentioned as under:-

Sr. No.	Product Description	Quantity	Amount (₹ in Lakhs)	Quotation details
1	Multilane Vegapack 300 with 5 Lane System	3	129.49	Quotation received from Mamata Machinery Private Limited dated January 27, 2024 with a validity of 30 days.
2	Fourier Transform Infra Red Spectrophotometer	1	19.00	Quotation received from Toshvin dated January 29, 2024 with a validity of 30 days.
3	Octagonal Blenders	1	14.50	Purchase Order of Siddhi Pharma Equipments dated January 15, 2024.
4	48" Die Vibro Shifter	1	2.60	
5	PLC Control Panel	1	2.40	
6	SS Round Bin	10	10.00	
7	Vaccum Conveying System	1	6.20	
8	Size 2 Change Parts for Powder Filling, Additional Change Parts for or Damage Capsule Sorter, Additional Dosing Chamber	2	13.40	Quotation received from Captech Systems dated February 03, 2024 with a validity of 30 days.
9	Digital Polarimeter	1	3.00	Quotation received from Lab India Analytics dated January 29, 2024 with a validity of 60 days.
10	Dissolution Test Apparatus With Piston Pump	1	10.00	
	Total		**210.59**	

Notes:

1. We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier / dealer may vary.

2. All quotations received from the vendors mentioned above are valid as on the date of this Red Herring Prospectus. However, except as stated above, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries / equipment's or at the same costs.

3. The machinery / equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification / addition / deletion of machineries or equipments) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipments or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment's and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.

4. We are not acquiring any second-hand machinery.

The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost will be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty etc. Such cost escalation would be met out of our internal accruals.

3) To Meet Working Capital Requirements

We finance our working capital requirement from our internal accruals. Considering the existing and future growth, the working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach ₹ 4,532.73 Lakhs for FY 2023-2024. We intend to meet our working capital requirements to the extent of ₹ 1,200.00 Lakhs from the Net Proceeds of this Issue.

Basis of estimation of working capital

The details of our Company's composition of working capital as on March 31, 2023, 2022 and 2021 based on the Audited Consolidated Financial Statements and working capital estimates for March 31, 2024 and the source of funding of the same are as set out in the table below:

(₹ in lakhs)

Particulars	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
	Audited	Audited	Audited	Estimated
Current Assets				
Inventories	683.16	1,213.06	2,367.31	2,647.77
Trade Receivables	2,338.16	3,206.79	4,931.13	5,424.24
Cash and Cash Equivalents	184.79	300.06	360.64	414.74
Other Current Assets	378.75	633.05	733.15	879.78
Total (I)	**3,584.86**	**5,352.96**	**8,392.23**	**9,366.53**
Current Liabilities				
Trade Payables	2,026.39	3,468.13	5,160.81	4,644.73
Short Term Provisions	114.84	132.45	59.52	47.62
Other Current Liabilities	35.64	133.41	192.12	141.45
Total (II)	**2,176.87**	**3,733.99**	**5,412.45**	**4,833.79**
Net Working Capital (I) – (II)	**1,407.99**	**1,618.97**	**2,979.78**	**4,532.73**
Funding Pattern:				
Short-Term Borrowings from Banks	820.61	923.76	1,769.44	1,592.50
Internal Accruals	587.38	695.21	1,210.34	1,740.24
Part of the IPO Proceeds				**1,200.00**

Assumptions for working capital requirement

Assumptions for Holding Levels

(In days)

Particulars	Holding level as on March 31, 2021 (Actual)	Holding level as on March 31, 2022 (Actual)	Holding level as on March 31, 2023 (Actual)	Holding level as on March 31, 2024 (Estimated)
Current Assets				
Inventories	34	48	75	70
Trade Receivables	116	128	157	144
Current Liabilities				
Trade Payables	143	168	220	178

Justification for Holding Period Levels

Particulars	Detail
Inventories	We have maintained holding level of total inventory 34, 48 and 75 days in FY 2020-21, 2021-22 and 2022-23 respectively. The Holding level of inventory is as per the requirement of the Company and increased year to year with the increase of sales and area of sales and increase in product range. The actual holding on FY 2022-23 was 34 days, however we have estimated holding level of 70 days with the better management of inventory.
Trade Receivables	The debtors holding is 116, 128 and 157 days in FY 2020-21, 2021-22 and 2022-23 respectively. The holding level is as per the credit allowed by the Company to their customers which is as per the market trend, however with increase of turnover the Company has estimated improvement in debtors' recovery and estimated trade receivables of 144 days.

Trade Payables	The creditors holding is 143, 168 and 220 days in FY 2020-21, 2021-22 and 2022-23 respectively with the increase in turnover of the Company estimated creditors for 178 days which is as per the holding level is as per the credit available to the Company.

Pursuant to the certificate dated January 24, 2024, M/s. Badaya & Co., Chartered Accountants, have verified the working capital requirements for the period ended September 30, 2023 and the year ended March 31, 2023, 2022 and 2021 from the Restated Consolidated Financial Information and working capital estimates for the financial year 2024 as approved by the Board pursuant to its resolution dated January 24, 2024.

4) General Corporate Purposes

Our management will have flexibility to deploy ₹[●] lakhs, aggregating to [●] of the Gross Proceeds towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and strategic entity / business acquisitions, branding, marketing, new client referral fees meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned / leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act, 2013.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

We confirm that any Issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that in terms of Regulation 230(2) of the SEBI ICDR Regulations, the extent of the Net Proceeds according to this Red Herring Prospectus, proposed to be used for general corporate purposes, shall not exceed 25% of the amount raised by our Company through the Issue of Equity Shares.

Proposed Year wise Deployment of Funds / Schedule of Implementation

The entire Net Fresh Issue Proceeds are proposed to be deployed in the Financial Year 2023 – 24.

Public Issue Expense

The estimated Issue related expenses include Issue Management Fee, Marketing Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee, Listing Fee, etc. The total expenses for this Issue are estimated to be approximately ₹ [●] Lakhs. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Particulars	Expenses (₹ In Lakh)[(1)]	% of Total Issue Expenses[(1)]	% of Total Issue size[(1)]
Payment to the Lead Managers	[●]	[●]	[●]
Market Making Fees	[●]	[●]	[●]
Fees payable to Registrar to Issue	[●]	[●]	[●]
Fees to Legal Advisor	[●]	[●]	[●]
Advertisement Expenses	[●]	[●]	[●]
Fees payable to Regulators including Stock Exchange	[●]	[●]	[●]
Printing & Distribution Expenses	[●]	[●]	[●]
Marketing & Selling Expenses	[●]	[●]	[●]
Payment to Sponsor Bank	[●]	[●]	[●]
Statutory & Other Reports	[●]	[●]	[●]
Total	[●]	[●]	[●]

[(1)]Will be incorporated at the time of filing of the Prospectus and on determination of Issue Price and other details.

Selling commission payable to the SCSBs on the portion for QIBS, Retail Individual Bidders, Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders	*0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted*
Portion for Non-Institutional Bidders	
Portion for QIB	

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*

No additional processing fees shall be payable to the SCSBs on the applications directly procured by them.

The Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.

Processing fees payable to the SCSBs of ₹ 1.00 per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees procured by the Syndicate Member / Sub-Syndicate Members / Registered Brokers / RTAs / CDPs and submitted to SCSBs for blocking. In case the total ASBA processing charges payable to SCSBs exceeds ₹ 1.00 lakhs, the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed ₹ 1.00 lakhs.

For Syndicate (including their Sub-Syndicate Members), RTAs and CDPs

***Brokerages, selling commission and processing / uploading charges** on the portion for Retail Individual Bidders (using the UPI mechanism), portion for Non-Institutional Bidders and Eligible Employees which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

Portion for Retail Individual Bidders	*0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted*
Portion for Non-Institutional Bidders	
Portion for QIB	

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*

The selling commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

The payment of selling commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The Selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.

Uploading charges / processing charges of Rs. 1.00 valid application (plus applicable taxes) is applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: for applications made by Retail Individual Investors using the UPI Mechanism. In case the total processing charges payable under this head exceeds ₹ 1.00 lakhs., the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 1.00 lakhs).

Uploading charges / processing charges of Rs. 1.00 valid applications (plus applicable taxes) are applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: (a) for applications made by Retail Individual Bidders using 3-in-1 type accounts; and (b) for Non-Institutional Bids using Syndicate ASBA mechanism / using 3-in-1 type accounts. (In case the total processing charges payable under this head exceeds ₹ 1.00 lakhs, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 1.00 lakhs.

The Bidding / uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.

For Registered Brokers:

Selling commission payable to the registered brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

Portion for Retail Individual Bidders and Non-Institutional Bidders	*0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted*

**Based on valid applications.*

For Sponsor Bank:

Processing fees for applications made by Retail Individual Bidders using the UPI mechanism will be ₹ 6.00 per valid Bid cum Application Form (plus applicable taxes), subject to maximum processing fee not exceeding ₹ 1.00 lakhs. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI Circulars, the Syndicate Agreement and other applicable laws.*
** For each valid application*

Appraisal by Appraising Fund

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and / or unsecured Loans.

Bridge Financing Facilities

As on the date of this Red Herring Prospectus, we have not raised any bridge loans, which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

Monitoring Utilization of Funds

As the size of the Fresh Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 262 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, 2015, our Company shall on a half-yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulation, 2015 our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Red Herring Prospectus.

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed Company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other Confirmations

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company's Key Managerial Personnel in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or Key Managerial Personnel except in the normal course of business and in compliance with the applicable laws.

BASIS OF ISSUE PRICE

Investors should read the following summary with the chapter titled "Risk Factors", the details about our Company under the chapter titled "Our Business" and its financial statements under the chapter titled "Financial Statements as Restated" beginning on pages 28, 111 and 179 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price has been determined by the Company in consultation with the Book Running Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹10.00 each and the Issue Price is ₹ [●] which is [●] times of the face value.

Qualitative Factors

Some of the qualitative factors, which form the basis for the Issue Price, are:

1. Experienced Promoters and Management Team
2. Cost Efficiency
3. Formulation & Development
4. Regulatory Compliance
5. Global Reach
6. Product Portfolio
7. Supply Chain Efficiency
8. Scalable Business Model
9. Strong sales, marketing, and distribution capabilities

For further details, see "***Risk Factors***" and "***Our Business***" beginning on pages 28 and 111, respectively.

Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Financial Information. For further information, see "***Financial Information***" beginning on page 179.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

Basic Earnings and Diluted Earnings per Equity Share (EPS) as per Accounting Standard 20

As per Restated Financial Statements (Pre-Bonus)

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2021	75.73	1
March 31, 2022	78.46	2
March 31, 2023	128.83	3
Weighted Average	**103.19**	
For the period from April 01, 2023 to September 30, 2023 (Not Annualized)	**4.50**	

As per Restated Financial Statements (Post-Bonus)

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2021	2.52	1
March 31, 2022	2.62	2
March 31, 2023	4.29	3
Weighted Average	**3.44**	

For the period from April 01, 2023 to September 30, 2023 (Not Annualized)	**4.50**	

Notes:

1. *Basic and diluted earnings / (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – "Earnings per Share" issued by the Institute of Chartered Accountants of India.*
2. *The ratios have been computed as below:*

- *Basic EPS is calculated as Profit / (loss) for the year / period attributable to owners of parent divided by the adjusted weighted average number basic equity shares outstanding during the year / period.*
- *Diluted EPS is calculated as Profit / (loss) for the year / period attributable to owners of parent divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year / period.*

3. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year / period adjusted by the number of equity shares issued during the year / period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year / period.*
4. *Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}.*

*For further details, see "**Other Financial Information**" on page 179.*

Price / Earning ("P / E") Ratio in relation to the Price Band of ₹ 75.00 to ₹ 79.00 per Equity Share:

Particulars	P / E at Floor Price (no.of times)	P / E at Cap Price(no. of times)
Based on Restated Financial Statements		
P / E ratio based on the Basic & Diluted EPS, as restated for FY 2022-23	17.48	18.41
P / E ratio based on the Weighted Average Basic & Diluted EPS, as restated	21.81	22.98

Note: *The P / E ratio has been computed by dividing Issue Price with EPS*

Return on Networth as per Restated Financial Statements

Period	RONW (%)	Weight
March 31, 2021	33.84	1
March 31, 2022	25.96	2
March 31, 2023	29.88	3
Weighted Average	**29.23**	
For the period from April 01, 2023 to September 30, 2023 (Not Annualized)	**23.87**	

Note*: The RONW has been computed by dividing net profit after tax (as restated), by Networth (as restated) as at the end of the year.*

As per Restated Financial Statements:

Minimum return on Post Issue Networth to maintain the Pre-Issue EPS (Post Bonus) for the financial year ended on 31st March, 2023-[●]%

Net Asset Value (NAV) per Equity Share

As per Restated Financial Statements – Pre-Bonus

Sr. No.	Particulars	On the basis of Restated Consolidated Financial Statements(₹)
a)	As on March 31, 2021	223.82
b)	As on March 31, 2022	302.27
c)	As on March 31, 2023	431.10
	For the period from April 01, 2023 to September 30, 2023 (Not Annualized)	**18.87**

As per Restated Financial Statements – Post-Bonus

Sr. No.	Particulars	On the basis of Restated Consolidated Financial Statements (₹)
a)	As on March 31, 2021	7.46
b)	As on March 31, 2022	10.08
c)	As on March 31, 2023	14.37
d)	For the period from April 01, 2023 to September 30, 2023 (Not Annualized)	18.87
e)	**Net Asset Value per Equity Share after the Issue at Issue Price**	[●]
f)	**Issue Price**	[●]

Notes:

1. *NAV has been calculated as Networth divided by number of Equity Shares at the end of the year.*
2. *Net asset value per equity share = Networth attributable to the owners of the parent as at the end of the year / period divided by adjusted number of equity shares outstanding as at the end of year / period.*
3. *Networth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write- back of depreciation and amalgamation.*
4. *Networth and the number of equity shares as at the end of the year / period have been adjusted to give effect to the consequent increase in share capital on the assumption that options outstanding to subscribe for additional equity capital (i.e. outstanding share warrants and employee stock options), wherever applicable, were exercised in the respective financial year / period. The computation considering aforementioned effects has been carried out in accordance with the requirements of SEBI ICDR Regulations and therefore the Networth and the number of equity shares outstanding as at the end of the year / period has not been derived from Restated Financial Information.*

*For further details, see "**Other Financial Information**" on page 179.*

Comparison with Listed Industry Peer:

Particulars	CMP*	EPS (₹)	PE Ratio	RONW (%)	NAV (₹)	Face Value (₹)	Revenue from Operations (₹ in Lakh)
Zenith Drugs Limited	[●]	4.29	[●]	29.88	14.37	10.00	11,451.91
Peer Group **							
Sudarshan Pharma Industries Limited	77.00	5.48	41.11	13.07	Not Available	10.00	19,170.00
Sigachi Industries Limited	78.40	13.52	28.64	18.75	Not Available	10.00	9444.00

** CMP for our Company is considered as Issue Price*
*** Source: www.bseindia.com.*

Notes:

(i) The figures of Zenith Drugs Limited are based on financial statements as restated as on March 31, 2023.
(ii) Considering the nature and size of business of the Company, the peers are not strictly comparable. However same have been included for broad comparison.
(iii) Current Market Price (CMP) is the closing price of peer group scrips as on February 06, 2023.
(iv) The figures for the peer group are based on the standalone audited financials for the year ended March 31, 2023.

The face value of our share is ₹10.00 per share and the Issue Price is of ₹[●] per share are [●] times of the face value.

Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Board of Directors dated January 24, 2024 and the members of the Board have verified the details of all KPIs pertaining to our Company. Further, the members of the Board have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by Badaya & Co., Chartered Accountants, by their certificate dated January 24, 2024.

The KPIs of our Company have been disclosed in the sections titled "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators***" on pages 111 and 180 respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

Key Performance Indicators of Our Company

Key Financial Performance	September 30, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations[(1)]	6,940.93	11,451.91	9,165.50	7,340.17
EBITDA[(2)]	959.82	967.14	683.12	702.82
EBITDA Margin[(3)]	13.83%	8.45%	7.45%	9.57%
PAT	540.55	515.33	313.82	302.92
PAT Margin[(4)]	7.79%	4.50%	3.42%	4.13%
Networth[(5)]	2,264.96	1,724.42	1,209.09	895.27
RoE %[(6)]	27.10%	35.13%	29.83%	40.73%
RoCE% [(7)]	28.71%	37.29%	30.08%	36.52%

Notes:
[(1)] Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements
[(2)] EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
[(3)] 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
[(4)] 'PAT Margin' is calculated as PAT for the period / year divided by revenue from operations.
[(5)] Networth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.
[(6)] Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
[(7)] Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings.

Explanations for KPI Metrics

KPI	Explanation
Revenue from Operation	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business in key verticals
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Networth	Networth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
RoE%	RoE provides how efficiently our Company generates profits from Shareholders' Funds
RoCE%	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

Key Financial Performance	Zenith Drugs Limited			Sudarshan Pharma Limited*			Sigachi Industries Limited*		
	FY 2022-23	FY 2021-22	FY 2020-21	FY 2022-23	FY 2021-22	FY 2020-21	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from Operations [(1)]	11,451.91	9,165.50	7,340.17	46133.00	35709.00	*#Not Available*	29032.00	24940.00	*#Not Available*
EBITDA[(2)]	967.14	683.12	702.82	*#Not Available*	*#Not Available*	*#Not Available*	*#Not Available*	*#Not Available*	*#Not Available*
EBITDA Margin[(3)]	8.45%	7.45%	9.57%	3.42%	3.18%	*#Not Available*	21.52%	21.26%	*#Not Available*
PAT	515.33	313.82	302.92	950.00	714.00	*#Not Available*	4156.00	4156.00	*#Not Available*
PAT Margin[(4)]	4.50%	3.42%	4.13%	*#Not Available*	*#Not Available*	*#Not Available*	*#Not Available*	*#Not Available*	*#Not Available*
Networth[(5)]	1,724.42	1,209.09	895.27	15667.00	00	*#Not Available*	70265.00	85447.00	*#Not Available*
RoE %[(6)]	35.13%	29.83%	40.73%	*#Not Available*	*#Not Available*	*#Not Available*	*#Not Available*	*#Not Available*	*#Not Available*
RoCE% [(7)]	37.29%	30.08%	36.52%	13.07%	30.13%	*#Not Available*	18.85%	21.35%	*#Not Available*

**All the information for listed industry peers mentioned above is sourced from the Annual Reports of FY 22-23, FY 21-22 and FY 20-21.*
#Not Available = Data of certain KPI's of the Company's listed peers is either not available in the public domain or the basis and manner of calculation of the figures mentioned is not ascertainable and therefore, may not be an accurate comparison with the Company's information and hence not mentioned.

Notes:

[(1)] Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements
[(2)] EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
[(3)] 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
[(4)] 'PAT Margin' is calculated as PAT for the period / year divided by revenue from operations.
[(5)] Networth means the aggregate value of the paid-up share capital and reserves and surplus of the company.
[(6)] Return on Equity is ratio of Profit after Tax and Shareholder Equity
[(7)] Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long term borrowings.

Weighted Average Cost of Acquisition

a) The price per share of our Company based on the primary / new issue of shares (equity / convertible securities)

There has been no issuance of Equity Shares, during the 18 months preceding the date of this Red Herring Prospectus, excluding bonus issue dated September 23, 2023 where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts of shares), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction / s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions, is as below:

Primary Transactions:

Date of Allotment	Name of the Allottee	No. of Equity Shares	Face value per Equity share (₹)	Issue price per Equity Share (₹)	Total Consideration (₹ in Lakhs)	Nature of Transaction	Nature of Consideration
September 23, 2023	Bhupesh Soni	33,45,614	10.00	-	-	Bonus Issue	Other than Cash
September 23, 2023	Ajay Singh Dassundi	37,33,257	10.00	-	-	Bonus Issue	Other than Cash
September 23, 2023	Sandeep Bhardwaj	35,44,757	10.00	-	-	Bonus Issue	Other than Cash
September 23, 2023	Jaywanti Soni	4,87,200	10.00	-	-	Bonus Issue	Other than Cash
September 23, 2023	Priyanka Bharadwaj	3,21,900	10.00	-	-	Bonus Issue	Other than Cash
Total		**1,14,32,728**			-		

Secondary Transactions:

Date of Transfer	Name of Transferor	Name of Transferee	No. of equity Shares transferred	Face value per Equity share (₹)	Issue price per Equity share (₹)	Total Consideration (₹ in Lakhs)
September 23, 2023	Bhupesh Soni	Sandeep Bhardwaj	203	10.00	450.00	91,350.00
September 23, 2023	Bhupesh Soni	Ajay Dassundi	43	10.00	450.00	19,350.00
Total			**246**			**1,10,700.00**

Weighted average cost of acquisition & Issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price in ₹ 75.00	Cap Price in ₹ 79.00
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	NA^	NA^	NA^
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA^^	NA^^	NA^^
Weighted average cost of acquisition of primary issuances as per paragraph 8(c) above	NIL	NIL	NIL
Weighted average cost of acquisition of secondary transactions as per paragraph 8(c) above	450.00	0.17	0.18

Note: ^There were no primary / new issue of shares (equity / convertible securities) other than Equity Shares issued pursuant to a bonus issue on September 23, 2023 in last 18 months and three years prior to the date of this Red Herring Prospectus.

^^ There were no secondary sales / acquisition of shares (equity / convertible securities) as mentioned in paragraph 8(b) above, in last 18 months from the date of this Red Herring Prospectus.

The Company in consultation with the Book Running Lead Manager believes that the Issue Price of ₹[●] per share for the Public Issue is justified in view of the above parameters. Investor should read the above-mentioned information along with the chapter titled "***Risk Factors***" beginning on page 28 of this Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled *"**Financial Statements as Restated**"* beginning on page 179 of this Red Herring Prospectus.

STATEMENT OF POSSIBLE TAX BENEFITS

To
The Board of Directors
ZENITH DRUGS LIMITED
K No.72 / 5, Village Muradpura NA Depalpur
Indore – 453 001

Dear Sir,

Sub: Statement of Possible Special Tax Benefits ("the Statement") available to ZENITH DRUGS LIMITED ("the Company") and its shareholders prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended ("the Regulations")

We hereby report that this certificate along with the annexure (hereinafter referred to as **"The Statement"**) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ('IT Act') (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2023 (i.e. applicable to F.Y. 2023-24 relevant to A.Y. 2024-25) (hereinafter referred to as the "IT Regulations") and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax[GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions, which based on business imperatives, which the Company may or may not choose to fulfill or face in the future.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. Further, the Preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company's management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his / her / its own tax consultant with respect to the tax implications arising out of his / her / its participation in the proposed issue, particularly in view of ever-changing tax laws in India. Further, we give no assurance that the income tax authorities / other indirect tax authorities / courts will concur with our views expressed herein.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been / would be met.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

The information provided below sets out the Possible Special Direct Tax & Indirect Tax benefits available to the Company, and its Shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of Equity Shares, under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company, and the Shareholders of the Company to derive the direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company, and the Shareholders of the Company may or may not choose to fulfil. Further, certain tax benefits may be optional, and it would be at the discretion of the Company or the Shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax Laws.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own Tax Consultant with respect to the tax implications of an investment in the shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

This certificate along with the annexure is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

For Badaya & Co.,
Chartered Accountants,
Firm Registration No.: 006395C

Sd/-
Rohit Badaya
Partner
Membership No.: 078599
UDIN: 23078599BGVULX3343

Date: September 25, 2023
Place: Jaipur

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO ZENITH DRUGS LIMITED ("THE COMPANY") AND IT'S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders as per the Income tax Act, 1961 ("IT Act") as amended from time to time and applicable for financial year 2023-24 relevant to assessment year 2024-25(AY 2024-25) and Indirect Tax Laws as amended from time to time and applicable for financial year 2023-24. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

I. Under the IT Act

1. Special Tax Benefits to the Company

- Lower Corporate Tax rate under Section 115BAA

A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%) from the Financial Year 2019-20, provided such companies do not avail specified exemptions / incentives (e.g. deduction under Section 10AA, 32(1) (iia), 33ABA, 35(2AB), 80-IA etc.)

The Amendment Act, 2019 also provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ("MAT") under Section 115JB. The CBDT has further issued Circular 29 / 2019 dated October 02,2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available. Corresponding amendment has been inserted under Section 115JAA dealing with MAT credit.

The Company has exercised the above option.

2. Special Tax Benefits available to Shareholders

There are no Special Tax Benefits available to the Shareholders (other than Resident Corporate Shareholder) of the Company.

With respect to a Resident Corporate Shareholder, a new section 80M is inserted in the Finance Act, 2020, to remove the cascading effect of taxes on inter-corporate dividends during financial year 2020-21 and thereafter. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other Domestic Company or a Foreign Company or a Business Trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other Domestic Company or Foreign Company or Business Trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139.

NOTES:

- The above statement of Possible Special Tax Benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

- The above statement covers only certain Special Tax Benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

- The above statement of Possible Special Tax Benefits is as per the current Direct Tax Laws relevant for the assessment year 2024-25. Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.

- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.

- As the Company has opted for concessional corporate income tax rate as prescribed under section 115BAA of the Act, it will not be allowed to claim any of the following deductions:

  - Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)

  - Deduction under clause (iia) of sub-section (1) of section 32 (Additional Depreciation)

  - Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, Site restoration fund)

  - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)

  - Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)

  - Deduction under section 35CCD (Expenditure on skill development)

  - Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or section 80M;

  - No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;

  - No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above;

- This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his / her investment in the shares of the Company.

II. Under the Indirect Tax Laws

3. Special Indirect Tax Benefits available to the Company

The Company is not entitled to any special tax benefits under indirect tax laws.

4. Special Tax Benefits available to Shareholders

The Shareholders of the Company are not entitled to any Special Tax Benefits under indirect tax laws.

NOTES:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y.2023-24 relevant to A.Y. 2024-25.

4. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAXIMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document.

For Badaya & Co.,
Chartered Accountants,
Firm Registration No.: 006395C

Sd/-
Rohit Badaya
Partner
Membership No.: 078599
UDIN: 23078599BGVULX3343

Date: September 25, 2023
Place: Jaipur

SECTION VIII: ABOUT THE ISSUER COMPANY

OUR INDUSTRY

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

GLOBAL ECONOMY AT LARGE

Near-Term Resilience, Persistent Challenges

- Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upward.

- The recent resolution of the US debt ceiling standoff and, earlier this year, strong action by authorities to contain turbulence in US and Swiss banking, reduced the immediate risks of financial sector turmoil. This moderated adverse risks to the outlook. However, the balance of risks to global growth remains tilted to the downside. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the war in Ukraine and extreme weather-related events, triggering more restrictive monetary policy. Financial sector turbulence could resume as markets adjust to further policy tightening by central banks. China's recovery could slow, in part as a result of unresolved real estate problems, with negative cross-border spillovers. Sovereign debt distress could spread to a wider group of economies. On the upside, inflation could fall faster than expected, reducing the need for tight monetary policy, and domestic demand could again prove more resilient.

- In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring price stability and strengthening financial supervision and risk monitoring. Should market strains materialize, countries should provide liquidity promptly while mitigating the possibility of moral hazard. They should also build fiscal buffers, with the composition of fiscal adjustment ensuring targeted support for the most vulnerable. Improvements to the supply side of the economy would facilitate fiscal consolidation and a smoother decline of inflation toward target levels.

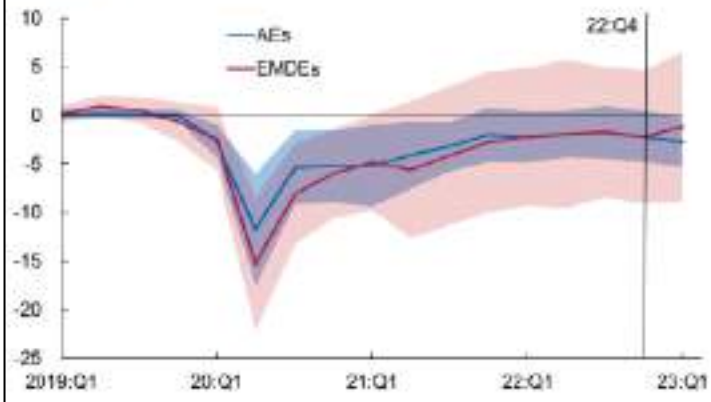
Forces Shaping the Outlook

The global recovery from the COVID-19 pandemic and Russia's invasion of Ukraine is slowing amid widening divergences among economic sectors and regions.

The World Health Organization (WHO) announced in May that it no longer considers COVID-19 to be a "global health emergency." Supply chains have largely recovered, and shipping costs and suppliers' delivery times are back to pre-pandemic levels. But forces that hindered growth in 2022 persist. Inflation remains high and continues to erode household purchasing power. Policy tightening by central banks in response to inflation has raised the cost of borrowing, constraining economic activity. Immediate concerns about the health of the banking sector have subsided, but high interest rates are filtering through the financial system, and banks in advanced economies have significantly tightened lending standards, curtailing the supply of credit. The impact of higher interest rates extends to public finances, especially in poorer countries grappling with elevated debt costs, constraining room for priority investments.

As a result, output losses compared with pre-pandemic forecasts remain large, especially for the world's poorest nations. Despite these headwinds, global economic activity was resilient in the first quarter of 2023, with that resilience driven mainly by the services sector. The post-pandemic rotation of consumption back toward services is approaching completion in advanced economies (including in tourism-dependent economies of southern Europe), and it accelerated in a number of emerging market and developing economies in the first quarter (Figure 1). However, as mobility returns to pre-pandemic levels, the scope for further acceleration appears more limited.

Figure 1. Value Added in the Services Sector: Distance to Pre-Pandemic Trends
(Percent)



Sources: Haver Analytics; and IMF staff calculations.
Note: The lines denote means and the bands represent one standard deviation around the means. For 18 AEs, the sample comprises AUS, CAN, CHE, CZE, DEU, DNK, ESP, FRA, GBR, ISR, ITA, KOR, NOR, NZL, SGP, SWE, TWN, and USA. For 16 EMDEs, the sample comprises ARG, BRA, CHL, CHN, COL, HUN, IDN, IND, MEX, MYS, PER, PHL, RUS, THA, TUR, and ZAF. Economy list uses International Organization for Standardization (ISO) country codes. AEs = advanced economies; EMDEs = emerging market and developing economies.

At the same time, non-services sectors, including manufacturing, have shown weakness, and high-frequency indicators for the second quarter point to a broader slowdown in activity. Amid softening consumption of goods, heightened uncertainties regarding the future geoeconomic landscape, weak productivity growth, and a more challenging financial environment, firms have scaled back investment in productive capacity. Gross fixed capital formation and industrial production have slowed sharply or contracted in major advanced economies, dragging international trade and manufacturing in emerging markets with them. International trade and indicators of demand and production in manufacturing all point to further weakness. Excess savings built up during the pandemic are declining in advanced economies, especially in the United States, implying a slimmer buffer to protect against shocks, including those to the cost of living and those from more restricted credit availability.

Core Inflation Declining More Gradually Than Headline Inflation

Global headline inflation is set to fall from an annual average of 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024, broadly as projected in April, but above pre-pandemic (2017–19) levels of about 3.5 percent. About three-quarters of the world's economies are expected to see lower annual average headline inflation in 2023. Monetary policy tightening is expected to gradually dampen inflation, but a central driver of the disinflation projected for 2023 is declining international commodity prices. Differences in the pace of disinflation across countries reflect such factors as different exposures to movements in commodity prices and currencies and different degrees of economic overheating. The forecast for 2023 is revised down by 0.2 percentage point, largely on account of subdued inflation in China. The forecast for 2024 has been revised upward by 0.3 percentage point, with the upgrade reflecting higher-than-expected core inflation.

Core inflation is generally declining more gradually. Globally, it is set to decline from an annual average of 6.5 percent in 2022 to 6.0 percent in 2023 and 4.7 percent in 2024. It is proving more persistent than projected, mainly for advanced economies, for which forecasts have been revised upward by 0.3 percentage point for 2023 and by 0.4 percentage point for 2024 compared with the April 2023 WEO. Global core inflation is revised down by 0.2 percentage point in 2023, reflecting lower-than-expected core inflation in China, and up by 0.4 percentage point in 2024. On an annual average basis, about half of economies are expected to see no decline in core inflation in 2023, although on a fourth-quarter-over-fourth-quarter basis, about 88 percent of economies for which quarterly data are available are projected to see a decline. Overall, inflation is projected to remain above target in 2023 in 96 percent of economies with inflation targets and in 89 percent of those economies in 2024.

Policy Priorities

Conquer inflation. Central banks in economies with elevated and persistent core inflation should continue to clearly signal their commitment to reducing inflation. A restrictive stance—with real rates above neutral—is needed until there are clear signs that underlying inflation is cooling. Multilayered uncertainty complicates the task for central banks: Levels of neutral rates and lags of policy transmission are difficult to estimate with confidence, and the potency of the transmission mechanism may differ across economic sectors. In view of these uncertainties, adjusting policy in a data-dependent manner and avoiding a premature easing before price pressures have adequately receded is warranted, while continuing to use tools to maintain financial stability when needed. Although the primary responsibility for restoring price stability lies with central banks, legislated government spending cuts or tax increases aimed at ensuring public debt sustainability

can, by reducing aggregate demand and reinforcing the overall credibility of disinflation strategies, further ease inflation. This is especially the case in countries with overheated economies and steep inflation-unemployment trade-offs.

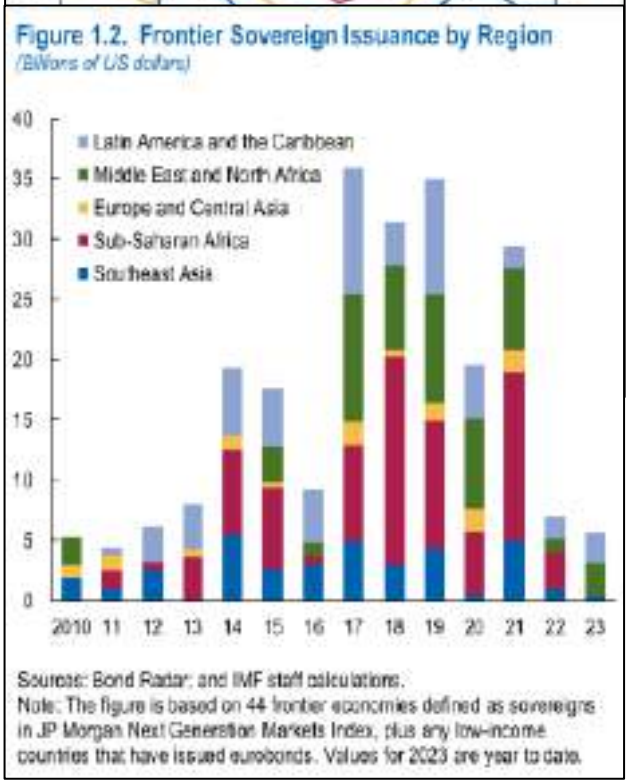
Maintain financial stability and prepare for stress. The fast pace of monetary policy tightening continues to put the financial sector under pressure. Strengthened supervision (by implementing Basel III and removing forbearance measures) and monitoring risks to anticipate further episodes of banking sector stress is warranted. The intensity of supervision must be commensurate with banks' risks and systemic importance, and it is essential to address oversight gaps in the nonbank financial sector. Macroprudential policy measures could be employed preemptively to address emerging risks in banks and nonbank financial institutions. Where market strains emerge, deploying tools that provide liquidity support promptly and forcefully, while mitigating the risk of moral hazard, would limit contagion. Because central banks are not equipped to deal with insolvency problems, it is important for governments to rebuild fiscal space in the event real resources need to be mobilized. Countries at risk of external shocks can make full use of the global financial safety net afforded by international financial institutions, including IMF precautionary financial arrangements.

Rebuild fiscal buffers while protecting the vulnerable. With fiscal deficits and government debt above pre-pandemic levels, credible medium-term fiscal consolidation is in many cases needed to restore budgetary room for maneuver and ensure debt sustainability. Fiscal adjustment is currently projected International Monetary Fund | July 2023 9 to average 0.5 percent of GDP in 2024 (based on the change in structural fiscal balances) in both advanced economies and emerging market and developing economies. For economies with access to international markets, the pace of fiscal consolidation should depend on the strength of private demand. The composition of fiscal adjustment should protect targeted support for the most vulnerable. Phasing out untargeted fiscal measures, including those that blunt price signals such as energy subsidies is warranted, especially since energy prices have broadly returned to pre-pandemic levels. In cases in which countries are in or at high risk of debt distress, achieving debt sustainability may require not only well-timed fiscal consolidation, but also debt restructuring.

GLOBAL FINANCIAL STABILITY UPDATE

Financial markets appear sanguine, and financial conditions have mostly continued to ease. Since the April 2023 Global Financial Stability Report, central banks have communicated that they could need to tighten monetary policy further. Even as yield curves remain inverted and recession concerns are prominent, financial conditions have mostly eased (Figure 1.1). A rally in the technology sector and higher equity prices, undoing some of the disinflationary impulses from tighter monetary policy, has supported this easing. In such circumstances, upside surprises to inflation could cause a sudden, sharp repricing of financial assets. The resulting tightening in global financial conditions could then interact with existing vulnerabilities in the financial system, which could amplify the tightening. Immediate concerns about the banking sector have eased, but growth in bank loans in advanced economies has slowed, and high interest rates will likely lead to tighter credit conditions. The shift of deposits in the United States from regional to large banks and money market funds has subsided, but a tighter monetary environment continues to challenge banks and nonbank financial intermediaries. In the euro area, mandatory repayments of loans from targeted longer-term refinancing operations are confronting banks that had relied on this source of funding, whereas in the United States, ongoing quantitative tightening and issuance of large amounts of Treasury bills after the recent debt ceiling episode could lead to further outflows from the banking system. In the meantime, the quality of business borrowers' credit is weakening as higher rates are starting to bite, raising credit costs, further curtailing bank lending, and slowing corporate debt issuance. Moreover, falling prices for commercial real estate—particularly office space—and residential property in many jurisdictions could add to pressures on indebted households and firms and weaken





nonbank financial institutions exposed to vulnerable sectors. Major emerging markets have generally remained resilient in this uncertain environment and largely avoided the banking sector turmoil in March 2023. However, many lower-rated issuers of sovereign bonds in emerging and frontier markets are still struggling to maintain access to international markets. In the second quarter, spreads for investment-grade sovereigns have stayed at about average historical levels, while spreads on those below investment grade have remained well above the historical range for issuances (880 basis points). Notably, 18 countries have spreads at distressed levels (more than 1,000 basis points). These high spreads have made issuance of new hard-currency debt very challenging for frontier markets so far in 2023 (Figure 1.2).

(https://www.imf.org/en/Publications/WEO/Issues/2023/07/10/world-economic-outlook-update-july-2023)

INDIAN INDUSTRY OVERVIEW

Strong economic growth in the first quarter of FY 23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022–23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalization of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-September 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

MARKET SIZE



India’s nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 2.1% of GDP in the first quarter of FY 2022-23.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India’s trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US$ 1 trillion by 2030.

RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritize lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- As of September 21, 2022, India's foreign exchange reserves stood at US$ 524,520 million.
- The private equity-venture capital (PE-VC) sector investments stood at US$ 2 billion in September 2022.
- Merchandise exports in September 2022 stood at US$ 32.62 billion.
- PMI Services remained comfortably in the expansionary zone at 56.7 during April-September 2022
- In September 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 147,686 crore (US$ 17.92 billion).

GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, are aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- Home & Cooperation Minister Mr. Amit Shah, laid the foundation stone and performed Bhoomi Pujan of Shri Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crores (US$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crores (US$ 747.64 million).
- In July 2022, the Union Cabinet chaired by the Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for the IT companies and start-ups in both the countries.

ROAD AHEAD

In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY 2022–23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signaling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Despite the continued global slowdown, India's exports climbed at the second highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(https://www.ibef.org/economy/indian-economy-overview)

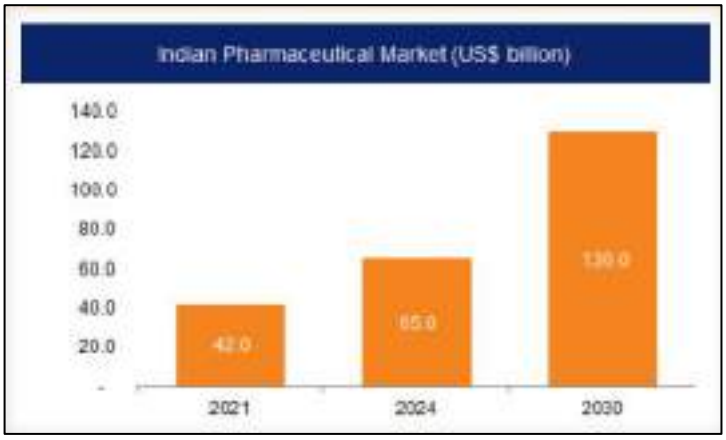
INDIAN PHARMACEUTICAL INDUSTRY IN INDIA

India is the largest provider of generic drugs globally and is known for its affordable vaccines and generic medications. The Indian Pharmaceutical industry is currently ranked third in pharmaceutical production by volume after evolving over time into a thriving industry growing at a CAGR of 9.43% since the past nine years. Generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics are some of the major segments of the Indian pharma industry. India has the most number of pharmaceutical manufacturing facilities that are in compliance with the US Food and Drug Administration (USFDA) and has 500 API producers that make for around 8% of the worldwide API market.

Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK. The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms. India is rightfully known as the "pharmacy of the world" due to the low cost and high quality of its medicines. Indian pharmaceutical industry is known for its generic medicines and low-cost vaccines globally. Transformed over the years as a vibrant sector, presently Indian Pharma ranks third in pharmaceutical production by volume. The Pharmaceutical industry in India is the third largest in the world in terms of volume and 14th largest in terms of value. The Pharma sector currently contributes to around 1.72% of the country's GDP.

According to a recent EY FICCI report, as there has been a growing consensus over providing new innovative therapies to patients, Indian pharmaceutical market is estimated to touch US$ 130 billion in value by the end of 2030. Meanwhile, the global market size of pharmaceutical products is estimated to cross over the US$ 1 trillion mark in 2023.

MARKET SIZE



Market size of India pharmaceuticals industry is expected to reach US$ 65 billion by 2024, and ~US$ 130 billion by 2030. According to the government data, the Indian pharmaceutical industry is worth approximately US$ 50 billion with over US$ 25 billion of the value coming from exports. About 20% of the global exports in generic drugs are met by India. India is among the top 12 destinations for biotechnology worldwide and 3rd largest destination for biotechnology in Asia Pacific. In 2022, India's Biotechnology industry has crossed US$ 80.12 billion, growing 14% from the previous year.

The Indian pharmaceutical industry has seen a massive expansion over the last few years and is expected to reach about 13% of the size of the global pharma market while enhancing its quality, affordability, and innovation. The biosimilars market in India is estimated to grow at a compounded annual growth rate (CAGR) of 22% to become US$ 12 billion by 2025. This would represent almost 20% of the total pharmaceutical market in India. India is the 3rd largest producer of API accounting for an 8% share of the Global API Industry. About 500+ different APIs are manufactured in India, and it contributes 57% of APIs to prequalified list of the WHO. The current market size of the medical devices sector in India is estimated to be US$ 11 billion and its share in the global medical device market is estimated to be 1.5%.
Indian pharma companies have a substantial share in the prescription market in the US and EU. The largest number of FDA-approved plants outside the US is in India.

According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market stood at US$ 42 billion in 2021 and is likely to reach US$ 65 billion by 2024 and further

expand to reach US$ 120-130 billion by 2030. India's biotechnology industry comprises biopharmaceuticals, bio-services, bio-agriculture, bio-industry, and bioinformatics. The Indian biotechnology industry was valued at US$ 70.2 billion in 2020 and is expected to reach US$ 150 billion by 2025. India's medical devices market stood at US$ 10.36 billion in FY20. The market is expected to increase at a CAGR of 37% from 2020 to 2025 to reach US$ 50 billion. As of August 2021, CARE Ratings expect India's pharmaceutical business to develop at an annual rate of ~11% over the next two years to reach more than US$ 60 billion in value.

In the global pharmaceuticals sector, India is a significant and rising player. India is the world's largest supplier of generic medications, accounting for 20% of the worldwide supply by volume and supplying about 60% of the global vaccination demand. The Indian pharmaceutical sector is worth US$ 42 billion worldwide. In August 2021, the Indian pharmaceutical market increased at 17.7% annually, up from 13.7% in July 2020. According to India Ratings & Research, the Indian pharmaceutical market revenue is expected to be over 12% Y-o-Y in FY22.

EXPORTS

Pharmaceutical is one of the top ten attractive sectors for foreign investment in India. The pharmaceutical exports from India reach more than 200 nations around the world, including highly regulated markets of the USA, West Europe, Japan, and Australia. India supplied around 45 tonnes and 400 million tablets of hydroxychloroquine to around 114 countries globally. India's drugs and pharmaceuticals exports stood at Rs. 2,08,231 crores (US$ 25.3 billion) for FY23, as per the data by Pharmexcil.

Exports of Drugs & Pharmaceuticals was estimated to be at US$ 2.48 billion in March, 2023 and shared 6.47% of the total exports of the month. India is the 12th largest exporter of medical goods in the world. Indian drugs are exported to more than 200 countries in the world, with US being the key market. Generic drugs account for 20% of the global export in terms of volume, making the country the largest provider of generic medicines globally. Indian drug & pharmaceutical exports stood at US$ 24.60 billion in FY22 and US$ 24.44 billion in FY21. Indian drug & pharmaceutical exports stood at US$ 2.19 billion in September 2022.

INVESTMENTS AND RECENT DEVELOPMENTS

The Indian Pharmaceuticals industry plays a prominent role in the global pharmaceuticals industry. India ranks third worldwide for production by volume and 14th by value.

In this regard the sector has seen a lot of investments and developments in the recent past.

- Up to 100%, FDI has been allowed through automatic route for Greenfield pharmaceuticals projects. For Brownfield pharmaceuticals projects, FDI allowed is up to 74% through automatic route and beyond that through government approval.

- The cumulative FDI equity inflow in the Drugs and Pharmaceuticals industry is US$ 21.22 billion during the period April 2000-December 2022. This constitutes almost 3% of the total FDI inflow received across sectors.

- Emcure Pharmaceuticals Limited (EPL) becomes the first ever company to launch Orofer FCM 750, a new extension of its parenteral iron brand containing Ferric carboxymaltose (FCM). The dose is suitable for the majority of Indian patients with iron deficiency and iron deficiency anemia.

- Japanese companies have been invited to invest in the Indian Pharmaceutical and Medical Device Industry. The cooperation between Pharmaceutical Traders Association and Japan Federation of Medical Devices Associations of the two countries can contribute to stabilize the global supply-chain especially of APIs and Medical Devices.

- Sun Pharmaceutical Industries Limited announced the successful completion of its acquisition of Concert Pharmaceuticals, Inc. on March 6, 2023, a late-stage clinical biopharmaceutical company that is developing deuruxolitinib, a novel, deuterated, oral JAK1/2 inhibitor, for the potential treatment of adult patients with moderate to severe alopecia areata.

- Glenmark Pharmaceuticals Ltd. (Glenmark), an innovation-driven, global pharmaceutical company, is the first to launch a unique I.V. injection formulation, Akynzeo I.V., in India for the prevention of chemotherapy-induced nausea and vomiting (CINV), under an exclusive licensing agreement with Helsinn, a Swiss biopharma group company.

- Entod Pharmaceuticals has recently launched its new ocular aesthetic range focused on improving eye comfort and enhancing the aesthetics of the eyes.

- BDR Pharmaceutical has launched the first generic apalutamide (brand name Apatide) in India to treat both metastatic castration sensitive prostate cancer as well as non-metastatic castration resistant prostate cancer. The product will be available across India.

- Anglo French Drugs & Industries Limited (AFDIL), a 99-year-old organization in the pharmaceutical sector, announced that it has entered into the fertility space with the launch of the LYBER range.

- Eli Lilly introduces Ramiven in India, for certain high-risk early breast cancer patients in November 2022.

- ICPA Health Products Ltd (ICPA), a leading pharma company in the oral healthcare segment, has launched its latest product – Heximetro at the annual conference of the Indian Society of Periodontology (ISP) in November 2022.

- The FDI inflows in the Indian drugs and pharmaceuticals sector reached US$ 19.90 billion between April 2000-June 2022.

GOVERNMENT INITIATIVES

Some of the initiatives taken by the Government to promote the pharmaceutical sector in India are as follows:

- As per the Union Budget 2023-24:

o A mission to eliminate sickle cell anemia by 2047 will be launched. It would involve raising awareness, conducting a comprehensive screening of seven crore individuals in the impacted tribal regions between the ages of 0 and 40, and providing counselling through coordinated efforts.

o For innovation in the pharmaceutical sector, through centres of excellence, a new initiative to encourage pharmaceutical research and innovation will be implemented. The government persuades business to spend money on R&D in a few chosen priority fields. At the grassroots level, government has also announced on building 157 nursing colleges in co-location with government medical colleges.

o The Union Cabinet, on April 26, 2023, approved the National Medical Devices Policy, 2023. The National Medical Devices Policy, 2023 is expected to facilitate an orderly growth of the medical device sector to meet the public health objectives of access, affordability, quality and innovation.

- Ayushman Bharat Digital Mission (ABDM):

o Under the ABDM, citizens will be able to create their ABHA (Ayushman Bharat Health Account) numbers, to which their digital health records can be linked. This will enable creation of longitudinal health records for individuals across various healthcare providers and improve clinical decision making by healthcare providers.

o The pilot of ABDM is completed in the six Union Territories of Ladakh, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Puducherry, Andaman and Nicobar Islands and Lakshadweep with successful demonstration of technology platform developed by the NHA.

o During the pilot, digital sandbox was created in which more than 774 partner solutions are undergoing integration. As on February 21, 2022, 173,369,087 Ayushman Bharat Health Accounts have been created and 10,114 doctors and 17,319 health facilities have been registered in ABDM.

ROAD AHEAD

The pharmaceutical industry in India is a significant part of the nation's foreign trade and offers lucrative potential for investors. Millions of people around the world receive affordable and inexpensive generic medications from India, which also runs a sizable number of plants that adhere to Good Manufacturing Practices (GMP) standards set by the World Health Organization (WHO) and the United States Food and Drug Administration (USFDA). Among nations that produce pharmaceuticals, India has long held the top spot. Medicine spending in India is projected to grow 9-12% over the next five years, leading India to become one of the top 10 countries in terms of medicine spending. Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers, which are on the rise. The Indian Government has taken many steps to reduce costs and bring down healthcare expenses. The National Health Protection Scheme, which aims to offer universal healthcare, the ageing population, the rise in chronic diseases, and other government programmes, including the opening of pharmacies that offer inexpensive generic medications, should all contribute to boost the Indian pharmaceutical industry. Speedy introduction of generic drugs into the market

has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

(Source : https://www.ibef.org/industry/pharmaceutical-india)

HEALTHCARE INDUSTRY IN INDIA

INTRODUCTION

Healthcare has become one of India's largest sectors, both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services, and increasing expenditure by public as well private players.

India's healthcare delivery system is categorized into two major components - public and private. The government, i.e., public healthcare system, comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of Primary Healthcare Centers (PHCs) in rural areas. The private sector provides majority of secondary, tertiary, and quaternary care institutions with major concentration in metros, tier-I, and tier-II cities.

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost competitive compared to its peers in Asia and western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. The low cost of medical services has resulted in a rise in the country's medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

MARKET SIZE

The Indian healthcare sector is expected to record a three-fold rise, growing at a CAGR of 22% between 2016–22 to reach US$ 372 billion in 2022 from US$ 110 billion in 2016. By FY22, Indian healthcare infrastructure is expected to reach US$ 349.1 billion.

India's public expenditure on healthcare touched 2.1 % of GDP in FY23 and 2.2% in FY22, against 1.6% in FY21, as per the Economic Survey 2022-23.

In FY22, premiums underwritten by health insurance companies grew to Rs. 73,582.13 crore (US$ 9.21 billion). The health segment has a 33.33% share in the total gross written premiums earned in the country.

The Indian medical tourism market was valued at US$ 2.89 billion in 2020 and is expected to reach US$ 13.42 billion by 2026. According to India Tourism Statistics at a Glance 2020 report, close to 697,300 foreign tourists came for medical treatment in India in FY19. India has been ranked tenth in the Medical Tourism Index (MTI) for 2020-21 out of 46 destinations by the Medical Tourism Association.

The e-health market size is estimated to reach US$ 10.6 billion by 2025.

As per information provided to the Lok Sabha by the Minister of Health & Family Welfare, Dr. Bharati Pravin Pawar, the doctor population ratio in the country is 1:854, assuming 80% availability of 12.68 lakh registered allopathic doctors and 5.65 lakh AYUSH doctors.

INVESTMENTS / DEVELOPMENTS

Between April 2000-June 2022, FDI inflow for the drugs and pharmaceuticals sector stood at US$ 19.90 billion, according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT). During 2022-23 (up to December 2022) Foreign Direct Investment, (FDI) inflow in India stood at US$ 36,746 million. Some of the recent developments in the Indian healthcare industry are as follows:

- As of February 20, 2023, more than 220.63 crore COVID-19 vaccine doses have been administered across the country. While as of May 11, 2023, more than 2.20 billion COVID-19 vaccine doses have been administered across the country.

- As of November 16, 2022, India has exported 28.13 crore vaccine doses.

- Multinational healthcare company Abbott has committed to converting 75 Primary Health Centers (PHCs) to Health and Wellness Centers (HWCs) in nine Indian States, in collaboration with Americares India Foundation, a nonprofit organization dedicated to relief and development in the field of health. This will benefit over 2.5 million people from under-resourced communities every year.

- In November 2022, diabetes management app BeatO raised US$ 33 million in its Series B funding round led by impact investor Lightrock India.

- In August 2022, Edelweiss General Insurance partnered with the Ministry of Health, Government of India, to help Indians generate their Ayushman Bharat Health Account (ABHA) number.

GOVERNMENT INITIATIVES

Some of the major initiatives taken by the Government of India to promote the Indian healthcare industry are as follows:

- In the Union Budget 2023-24:

o Under the Union Budget 2023-24, the Ministry of Health and Family Welfare has been allocated Rs. 89,155 crores (US$ 10.76 billion), an increase of 3.43% compared to Rs. 86,200.65 crore (US$ 10.4 billion) in 2021-22.

o Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was allocated Rs. 3,365 crores (US$ 0.41 billion).

o Human Resources for Health and Medical Education was allotted Rs. 6,500 crores (US$ 780 million).

o National Health Mission was allotted Rs. 29,085 crores (US$ 3.51 billion).

o Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allotted Rs. 7,200 crores (US$ 870 million).

- In July 2022, the World Bank approved a US$ 1 billion loan towards India's Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission.

- To promote medical tourism in the country, the government of India is extending the e-medical visa facility to the citizens of 156 countries.

- In May 2022, the Union Government approved grants for five new medical colleges in Gujarat with a grant of Rs. 190 crore (US$ 23.78 million) each. These colleges will come up in Navsari, Porbandar, Rajpipla, Godhra and Morbi.

- In November 2021, the Government of India, the Government of Meghalaya, and the World Bank signed a US$ 40-million health project for the state of Meghalaya. Project will improve the quality of health services and strengthen the state’s capacity to handle future health emergencies, including the COVID-19 pandemic.

ROAD AHEAD

India’s healthcare sector is extremely diversified and is full of opportunities in every segment, which includes providers, payers, and medical technology. With the increase in the competition, businesses are looking to explore the latest dynamics and trends which will have a positive impact on their business. The hospital industry in India is forecast to increase to Rs. 8.6 trillion (US$ 132.84 billion) by FY22 from Rs. 4 trillion (US$ 61.79 billion) in FY17 at a CAGR of 16–17%.

India is a land full of opportunities for players in the medical devices industry. The country has also become one of the leading destinations for high-end diagnostic services with tremendous capital investment for advanced diagnostic facilities, thus catering to a greater proportion of the population. Besides, Indian medical service consumers have become more conscious towards their healthcare upkeep. Rising income levels, an ageing population, growing health awareness and a changing attitude towards preventive healthcare is expected to boost healthcare services demand in the future. Greater penetration of health insurance aided the rise in healthcare spending, a trend likely to intensify in the coming decade.

The Government aims to develop India as a global healthcare hub and is planning to increase public health spending to 2.5% of the country's GDP by 2025.
(Source: https://www.ibef.org/industry/healthcare-india)

OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the detailed financial and other information included in this Red Herring Prospectus, including the information contained in the section titled ***"Risk Factors",*** beginning on page 28 of this Red Herring Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the detailed information about our Company and its financial statements, including the notes thereto, in the section titled ***"Risk Factors"***, ***"Financial Statement"*** beginning on page 28 and 179 respectively, of this Red Herring Prospectus.

Unless otherwise stated or the context otherwise requires, in relation to business operations, in this section of this Red Herring Prospectus, all references to **"we", "us", "our**" and **"our Company"** are to "**Zenith Drugs Limited**". Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements.

OVERVIEW OF OUR BUSINESS

Our Core business is as follows:

We are a pharmaceutical manufacturing and trading company based out from Indore. We have a manufacturing unit, dedicated to ensuring the highest quality standards when it comes to manufacturing of medicines. We are specialized in manufacturing high quality and affordable Medicines to support our patients in need. Our Company is also into Generic Medicines and Generic Medicines are cost effective. Since its inception our company has focused on building a strong foundation and laying the groundwork for our future growth and success. With dedication and strategic planning, we managed to establish a reputable presence in the pharmaceutical industry. The Company was incorporated with the objective of the better service deliverance in field of medicine and be better premium pharmaceutical companies in India and abroad for cost effective human medicine. Our Company always emphasis on core strength and policies that focus on technology and great deliverance. With a passion to set high standards of services, the company has always taken all measures to scale up as and when required only to deliver the better. We work diligently and have a wide range of products to cater to every need and to reach the client sensitivity and centricity.

We are proud to be WHO-GMP compliant, adhering to the stringent guidelines set by the World Health Organization. Our commitment to quality is further demonstrated by our ISO 9001:2015 certification, obtained from a respected Euro-UK certification body. Zenith offers a wide range of formulations in various forms such as:

1. ORS Powder;
2. Liquid Orals;
3. Ointments;
4. Liquid Externals; and
5. Capsules.

Each formulation is carefully developed to deliver efficacy, safety, and affordability, making quality healthcare accessible to all.

Currently, Our Company is having FDA approval of more than 600 Products from Food & Drugs Administration. Out of 600 Products, 325 products are being Manufactured Regularly

Since its inception, our company embarked on a journey of growth and continuous improvement. Initially, we started as a modest manufacturing house for oral and external formulations. However, recognizing the importance of quality and compliance, we swiftly shifted to a Schedule M GMP compliant unit in 2004 where we started the production of two lines which are liquid orals and ointments. This transition enabled us to enhance our manufacturing capabilities and ensure stringent adherence to regulatory standards. In 2007, we expanded our product line by incorporating ORS Powder manufacturing into our operations. This addition enabled us to contribute to the critical healthcare need for oral rehydration solutions, further widening our portfolio and addressing the needs of patients.

Our Company have been Receiving Sales orders from the Customers & Institutions on regular basis. We generate the bulk Requirement of Respective Raw Material & Packing Material Similarly on continuous basis. Since, we are a WHO GMP Certified Unit, we have to Procure the Material from Approved Sources only, that qualifies our quality requirement. The Requirements are automatically generated from ERP System & after Verification form the Store Department, We Float

the Requirement among all the Approved Vendors for Price Quotation. Once we get the prices from all vendors, we make the Comparison & after Negotiation process, we place the Purchase Orders with prevailing delivery terms. These Suppliers may be Manufacturers, Importers, Authorised Distributors, or Local vendors. The Process of Vendor Approval to add New Vendors in Raw Material or Packing Material is a continuous process to increase vendor networks & improve purchase price & availability.

In 2016, we achieved another significant milestone with the establishment of our present manufacturing facility, which proudly holds WHO GMP certification. This state-of-the-art facility is equipped with advanced technologies and processes to meet the highest quality standards in pharmaceutical manufacturing. The dedication and efforts of our team have enabled us to consistently deliver safe, effective, and reliable medicines to our customers. In 2019, we again expanded our product line by introducing liquid externals and capsules, further widening our portfolio.

Our Company has Certificate of Good Manufacturing Practices issued by Office of the Controller, Food and Drugs Administration, Madhya Pradesh, Idgah Hills, Bhopal, Madhya Pradesh. The quality standards of our Company are based on adherence to Good Manufacturing Practices (GMP) guidelines, regulatory requirements and internal quality control processes. The Company is constantly required to adhere to the same. These measures are implemented to ensure the highest level of quality in our manufacturing operations.

Building upon our commitment to excellence, we have completed two expansions within the same facility to accommodate the growing demand for our products. These expansions have allowed us to scale our operations, increase production capacity, and introduce new formulations. Through these strategic investments and expansions, we strive to continuously improve our manufacturing infrastructure, enhance product quality, and meet the evolving needs of healthcare professionals and patients.

Our Company has an inhouse Department of Formulation Development, Quality Control & Product Stability Studies in the Company. The Department takes existing products and their dosage then they makes different formulations and variation in existing products. The department further studies the different formulations and does Process Validations, Analytical Method Validations, Cleaning Validation are carried out as per Standard Operation Procedure. After the Process is Complete the Commercial Launch of any New Formulation is Done.

Zenith was established in 2000 by our visionary founders, Late Shri Ramniklal Soni, and Mr. Mukesh Jain. Their dedication and passion laid the foundation for our organization, which has since grown steadily, driven by a commitment to care. In 2002, Mr. Bhupesh Soni joined his father, carrying forward the legacy of excellence and innovation. In the subsequent years, our team expanded as we welcomed two accomplished professionals, Mr. Sandeep Bhardwaj and Mr. Ajay Singh Dassundi, in the fiscal year 2003-04. Together, they brought their expertise and further strengthened our company. Today, Zenith is proudly promoted by Mr. Bhupesh Soni, Mr. Sandeep Bhardwaj, and Mr. Ajay Singh Dassundi, who continue to lead our organization with a shared vision for growth, quality, and patient-centric care.

Our Company is in process to establish a new factory at its land located at K. No. 72/3, 74/1/1, 75/1/1, Village Muradpura, Depalpur, Indore, Madhya Pradesh- 453001 to expand its operations. The said land is adjacent to the current factory of the Company. Once the new factory is established, our company will have huge factory setup for its operations.

Further, our Company is constantly reaping the benefits given by the Government to the MSME Segment. Our Company has received subsidy under Madhya Pradesh MSME Yojna i.e. MSME Promotion Scheme, 2019 as Industrial Development Grant upto 40% of the capital invested in machinery i.e. grant of ₹ 170.04 Lakhs

Mission:

To become the world's most preferred pharmaceutical company by applying latest technology and innovation to serve best quality products which complying highest regulatory standards to the business and the society by the way of innovative thinking, pharmacology knowledge and collaborations of develop our ideas in to new medicines / molecules along with coordination of our experienced field staff, we want to mission serve the world.

Vision:

To deliver medicines that enables every human kind to live healthier, happier and active lives at most affordable cost and to help out medical fraternity by innovating Novel Drug Delivery System and dosage forms for the betterment of human's lives. We at Zenith Drugs Limited believe that the quality is result of high intension, sincere effort, intelligent direction and skilful execution with our highly qualified team.

Our Unique Selling Proposition (USP)

Manufacturing Cum Marketing

One of the key business strengths of Zenith lies in its integrated approach to manufacturing and marketing. By combining manufacturing and marketing capabilities, Zenith has established a formidable position in the pharmaceutical industry. This integrated approach provides several advantages and contributes to the company's success:

- **Streamlined Operations:**

  Zenith's ability to handle both manufacturing and marketing in-house allows for seamless coordination and control over the entire product lifecycle. This streamlined approach minimizes complexities and ensures efficient operations from production to distribution, enhancing overall productivity and effectiveness.

- **Quality Control:**

  With manufacturing and marketing under one roof, Zenith can maintain stringent quality control standards throughout the entire process. By having a direct influence on manufacturing processes, the company can ensure that its products meet the highest quality standards before they reach the market. This commitment to quality builds trust with customers and differentiates Zenith from competitors.

- **Speed to Market:**

  Integrating manufacturing and marketing enables Zenith to bring products to market more swiftly. As soon as a product is ready for commercial production, Zenith's marketing team can initiate promotional activities and launch it in a timely manner. This agility in product development and marketing gives Zenith a competitive edge by capitalizing on market opportunities promptly.

By leveraging the synergies between manufacturing and marketing, Zenith harnesses the power of an integrated approach. This strength enables the company to deliver high-quality pharmaceutical products efficiently, respond swiftly to market dynamics, foster innovation, and achieve sustainable growth in a competitive industry.

Our Global Presence

Zenith Drugs has established a strong presence in various international markets worldwide, distinguished by our unique products and competitive pricing. We continue to expand our international operations by broadening our product portfolio and entering new markets. Our global footprint extends to countries such as

1. Costa Rica in Central America and the Caribbean and Pacific regions,
2. Malawi, Mauritius, Mozambique, Sudan, and Tanzania.
3. Bhutan and Cambodia in Southeast Asia,
4. Tajikistan in the CIS region, and
5. Liberia, Sierra Leone, and Conakry in FWA.

Our company has implemented a comprehensive system to manage the distribution of their products in international markets.

While we primarily rely on third-party distribution networks i.e. Merchants from International Markets enquires about the products of our Company and then sends Authorisation Letter of Registration of the Products with Zenith as Manufacturer. Post Registration by the Merchant, the process of placing order starts by enquiry on quotations, qty, price negotiation of the order, payments and final order placement.

Also, our Company is in the process of establishing direct export distribution in Liberia for the product BVM's Oral Rehydration Salts B.P. 27.9g. This strategic initiative allows them to have more control over the export process and establish a direct presence in the Liberian market, ensuring seamless delivery of their products.

Through our unwavering commitment to quality, innovation, and global expansion, Zenith Drugs strives to make a positive impact on global healthcare by providing effective and accessible pharmaceutical solutions.

Our Company was originally incorporated on November 15, 2000 as a Private Limited Company in the name of "Zenith Drugs Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh, Gwalior. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on September 05, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to 'Zenith Drugs Limited' and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 13, 2023 by the Registrar of Companies, Gwalior. The Corporate Identification Number of our Company is U24231MP2000PLC014465

OUR PRODUCTS

LIQUID ORAL

Sr. No.	Name of Products	Composition	
1	Iron & Folic Acid Syrup IP	Each 5 ml Contains: Ferrous Sulphate IP Folic Acid IP	 100 mg 500 mcg
2	Hungrykop Syrup	Each 5 ml Contains: Cyproheptadine HCL IP	 2 mg
3	BIozen Multivitamin Syrup	Multivitamin Syrup	
4	Rexkop DX Syrup	Each 5 Ml Contains: Dextromethorphen HBR IP Chlorpheniramine Maleate IP	 10 mg 2 mg
5	Zoomol Plus Syrup	Each 5 ml Contains: Paracetamol IP	 250 mg

OINTMENT / CREAM

Sr. No.	Name of Products	Composition	
1	POVIZ Ointment Pack (10 gm, 15 gm, 20 g, 125 gm, 250 gm, 500 gm)	Povidone Iodine IP	5% w/w
2	Clobetol GM Cream	Clobetasol Propionate IP Miconazole Nitrate IP Cream base QS	0.5% w/w 2% w/w
3	Painfree Gel	Diclofenac Diethylamine Methyl Salicylate IP Menthol IP Linseed Oil	1.16% 10% 0.5% 3%
4	POVIZ M Ointment	Povidone Iodine IP Sucralfate IP	5% w/w 7% w/w
5	Candizen Cream	Clotrimazole IP	1% w/w

LIQUID EXTERNAL SECTION

Sr. No.	Name of Products	Composition	
1	Poviz Solutin (Lotion)	Povidone iodine IP	5%
2	Bioscaby Lotion	Gamma Benzene Hexachloride IP Cetrimide IP	0.1% 0.1%
3	Permethirn Lotion	Permethrin BP	5%
4	Gamma Benzene Hexachloride 1% Lotion	Gamma Benzene Hexachloride IP	1%
5	Scabikop Lotion	Gamma Benzene Hexachloride IP Cetrimide IP	0.1% 0.1%

CAPSULE SECTION

Sr. No.	Name of Products	Composition	
1	Pyvoxee Spas Plus Capsule	Dicyclomine HCL IP Paracetamol Tramadol HCL IP	10 mg 325 mg 50 mg
2	BIO-Omi Capsule	Omeprazole IP	20 mg
3	Lopagen Capsule	Lopramide IP	2 mg
4	Cold- Time Capsule	Chorpheniramine Maleate IP	8 mg

5	Rabijen DSR Capsule	Rabpraozole IP Domperidone IP	30 mg 20 mg

ORS SECTION

Sr. No.	Name of Products	Composition
1	Zenith ORS	Oral Rehydration Salts IP
2	Koplyte ORS	Oral Rehydration Salts IP
3	Oral Rehydration Salts IP 20.50 gm	Oral Rehydration Salts IP
4	Oral Rehydration Salts BP 27.90 gm	Oral Rehydration Salts BP

For more details of our products please visit our website: https://zenithdrugs.com/web-index.html

KEY PERFORMANCE INDICATORS OF OUR COMPANY

Key Financial Performance	September 30, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations[(1)]	6,940.93	11,451.91	9,165.50	7,340.17
EBITDA[(2)]	959.82	967.14	683.12	702.82
EBITDA Margin[(3)]	13.83%	8.45%	7.45%	9.57%
PAT	540.55	515.33	313.82	302.92
PAT Margin[(4)]	7.79%	4.50%	3.42%	4.13%
Networth[(5)]	2,264.96	1,724.42	1,209.09	895.27
RoE %[(6)]	27.10%	35.13%	29.83%	40.73%
RoCE% [(7)]	28.71%	37.29%	30.08%	36.52%

Notes:
[(1)] Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements
[(2)] EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
[(3)] 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
[(4)] 'PAT Margin' is calculated as PAT for the period / year divided by revenue from operations.
[(5)] Networth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.
[(6)] Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
[(7)] Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings.

DISTRIBUTION AND SALES NETWORK

Zenith caters to a diverse range of customers and generates business revenue through various avenues. These include marketing of branded generic drugs, third-party job work manufacturing, government and institutional business, and exports.

1. Distributors

Marketing of branded generic drugs forms a substantial part of Zenith's business. We manufacture and procure a wide array of generic products, which are then marketed through a robust distribution network. This network comprises state-wise C&F / super distributors, district-wise stockiest, and retailers across the pharmaceutical industry. Our dedicated sales team, led by the National Head and supported by Zonal Managers, Regional Managers, and Territory Managers, plays a pivotal role in securing business from retailers. Through this well-established distribution network, Zenith has a strong presence in all states of India. Currently, our dynamic sales team consists of a talented group of individuals.

2. Third-party manufacturers

Furthermore, Zenith engages in third-party manufacturing, also known as white label manufacturing, for esteemed pharma companies such as Ajanta Pharma, Bio Medical Laboratories, Zest Pharma, and many others. This collaborative approach offers benefits to the purchasers, including cost efficiency through bulk production, capacity scaling, regulatory compliance, reduced lead times, risk mitigation, access to specialized technologies, geographical expansion, cost-effective compliance, and resource optimization.

3. Government

Institutional and government business also forms an important segment for Zenith. The distribution of free drugs through schemes initiated by both state and central governments of India serves several crucial objectives, addressing healthcare needs such as equitable access to healthcare, poverty alleviation, public health initiatives, reducing mortality and morbidity, healthcare access in rural areas, maternal and child health, chronic disease management, preventive care, public health emergencies, and meeting international commitments. Zenith has successfully participated in government and tender business for the past few years, collaborating with major state and central government institutions and corporations, including

1. Madhya Pradesh Public Health Services Corporation Limited,
2. Rajasthan Medical Services Corporation Limited,
3. Telangana State Medical Services and Infrastructure Development Corporation,
4. Employees' State Insurance Corporation
5. Odisha State Medical Corporation Limited and more.

The advantages of government business include bulk quantity, committed volume, and advantages in purchase price due to high volume.

4. Exports

Lastly, Zenith is actively involved in pharmaceutical exports as well through third Party route, contributing to the country's economy and showcasing the strength of India's pharmaceutical industry. The company has implemented a comprehensive system to manage the distribution of their products in international markets. With a global presence, diverse product range, competitive pricing, regulatory compliances, and government support, Indian pharmaceutical exports have gained recognition worldwide.

While we primarily rely on third-party distribution networks i.e. Merchants from International Markets enquires about the products of the Company and then sends Authorisation Letter of Registration of the Products with Zenith as Manufacturer. Post Registration by the Merchant, the process of placing order starts by enquiry on quotations, qty, price negotiation of the order, payments and final order placement.

Through these diverse avenues, Zenith caters to a wide range of customers, both domestically and internationally, while upholding its commitment to delivering high-quality pharmaceutical products.

Our Company has registered following products in International Market through third party routes:

Sr. No.	Name of the Country	Registered Product
1	Gambia	1) Neosken Cream
		2) Animycin Cream UPS
		3) Whitfield's Ointment BP

Further, Our company has applied for registration in the below mentioned countries:

Sr. No.	Name of the Country	Registered Product
1	Liberia	1) BVM ORS BP 27.9 g
		2) ORS BP 27.9 g
		3) Clotrimazole Cream 2.0 % w/w
		4) Diclofenac Gel 1% w/w
		5) Povidone Iodine Solution 5% w/v
		6) Salbutamol Syrup
		7) Silver Sulphadiazine Cream
		8) Co-Trimoxazole Oral Suspension
		9) Povidone Iodine Solution 5% w/v (without mono carton)
2	Gambia	1) Aniketo Cream
		2) Anicalamine Lotion
		3) Neeomy Cream
		4) Anicort Cream

		5) Burnis Cream
3	Costa Rica	1) Merchant Export
		2) ORS USP 6.7 g

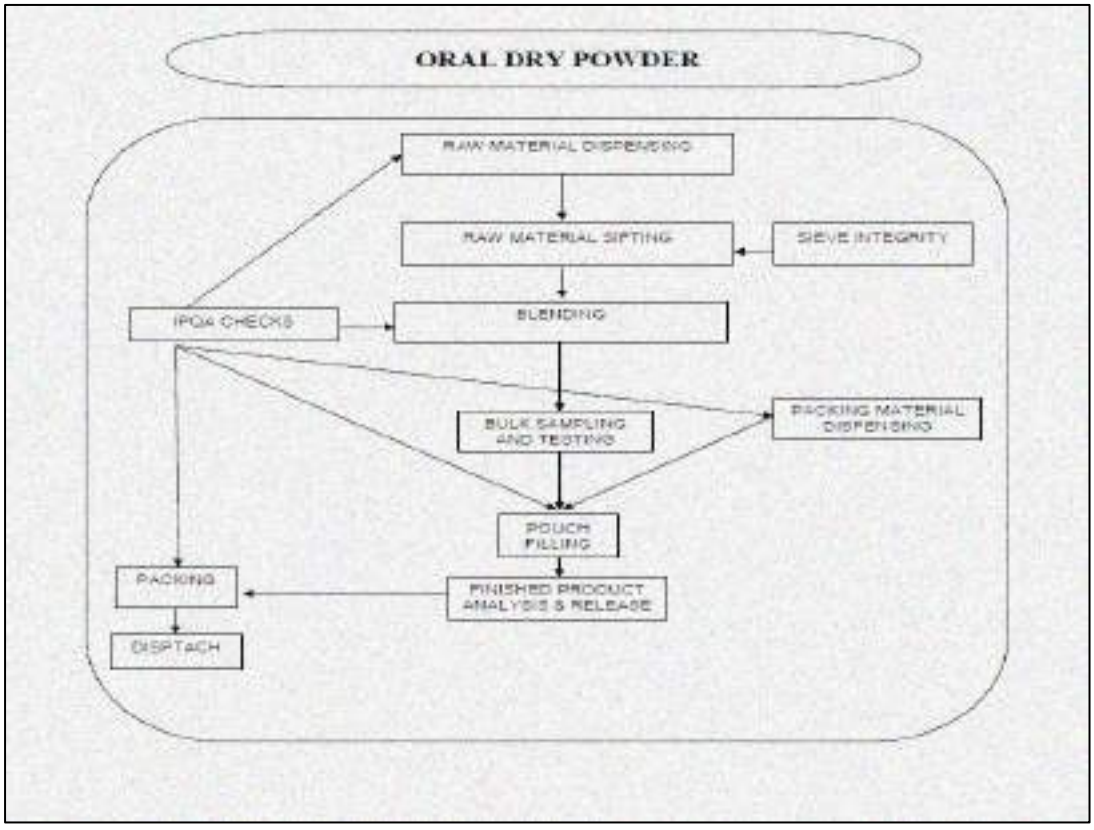
PRODUCT WISE SALES

Year	% ORS Powder	% Liquid Orals	% Ointments	% Liquid Externals	% Capsules
FY 2020-2021	18.38	37.91	22.23	9.88	11.60
FY 2021-2022	19.84	37.53	21.75	8.56	12.32
FY 2022-2023	22.28	39.31	24.92	4.12	09.37

SEGMENT WISE SALES

Year	% Sale Under Own Brand	% White Label Manufacturing	% Sales to Government	% of Trading	% of Export through Third Party Route	% Others
FY 2020-2021	25.6	21.23	53.02	0.00	0.15	0.00
FY 2021-2022	23.52	23.86	52.36	0.00	0.26	0.00
FY 2022-2023	21.54	25.50	43.36	6.80	2.50	0.40

PROCESS FLOW CHART



ORS MANUFACTURING

1. RAW MATERIAL DISPENSING: Dispensing activities are performed by Stores person in presence of Production and QA personal, by weighing / measuring and transferring specific amounts of materials required as per product specific BMR document for manufacturing of product.

2. RAW MATERIAL SIFTING: After Dispensing sifting is done, it is the process in which the separation of particles of different sizes done . It is essential to the pharmaceutical industry's dry powder (ORS) manufacturing process.

3. SIEVING: All dispensed materials are transferred through specific size sieves by the production personal, as per product specific BMR for removal of any fibre / particles and uniform particle size reduction required to be used for product manufacturing

4. BLENDING: All dispensed and sifted raw material mixed in Clean manufacturing blender in manufacturing area. Blending of powders is a crucial step in the production of pharmaceutical dry powder dosage forms. The active pharmaceutical ingredient (API) required to be blended with other excipients

5. IPQA CHECK: All the activities dispensing / manufacturing and packing performed during different production stages to be monitor by QA personal for all the parameter per product specific BMR / BPR .

6. BULK SAMPLING AND TESTING: QA personal take the manufactured bulk drug product sample for analysis and QC Person will test the Bulk drug analysis as per product specification in Quality control lab and only after releasing of Bulk product, further filling / packing process will be performed for product.

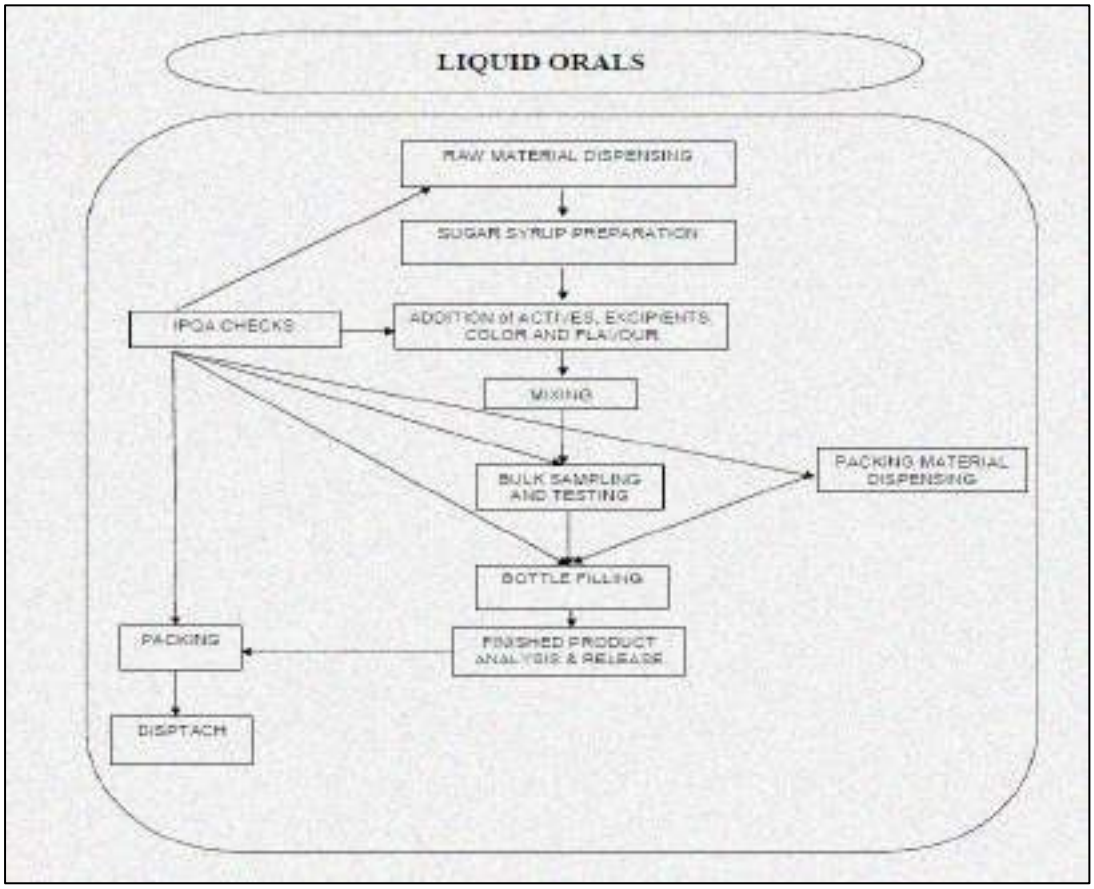
7. PACKING MATERIAL DISPENSING: Dispensing activities are performed by Stores person in presence of Production and QA personal, by weighing / measuring / counting and transferring specific quantity of materials required as per product specific BPR document for packing of product.

8. POUCH FILLING: After the Bulk releasing from QC and line clearance done by QA person further filling process to be done in pouch filling area and then further packing process done.

9. FINISH PRODUCT ANALYSIS AND RELEASE: After filling and Packing Process of Product Sampling done by QA person & Testing performed by QC person as per product specification and after QC release, product can be release for dispatch by QA.

10. PACKING: After the Bulk releasing from QC and line clearance done by QA person further filling and packing process to be done of by Production.

11. DISPATCH: After final packing of product and Finished product released by QC, authorized by QA, dispatch person will generate Invoice for Product dispatching for sale the product to customer.



LIQUID MANUFACTURING

1. RAW MATERIAL DISPENSING: Dispensing activities are performed by Stores person in presence of Production and QA personal, by weighing / measuring and transferring specific amounts of materials required as per product specific BMR document for manufacturing of product.

2. SUGAR SYRUP PREPARATION: In manufacturing vessel sugar syrup preparation process done by production chemist In manufacturing area for Liquid Oral syrup base purpose and further filter it in another vessel as process defined in product specific BMR.

3. ADDITION OF ACTIVES EXCIPIENTS COLOUR AND FLAVOUR: All dispensed materials actives, excipients, colors and flavors with continue stirring are mixed by *production personal, as per product specific* BMR for product manufacturing.

4. IPQA CHECK: All the activities dispensing / manufacturing and packing performed during different production stages to be monitor by QA personal for all the parameter per product specific BMR / BPR

5. BULK SAMPLING AND TESTING: QA personal take the manufactured bulk drug product sample for analysis and QC Person will test the Bulk drug analysis as per product specification in Quality control lab and only after releasing of Bulk product, further filling / packing process will be performed for product.

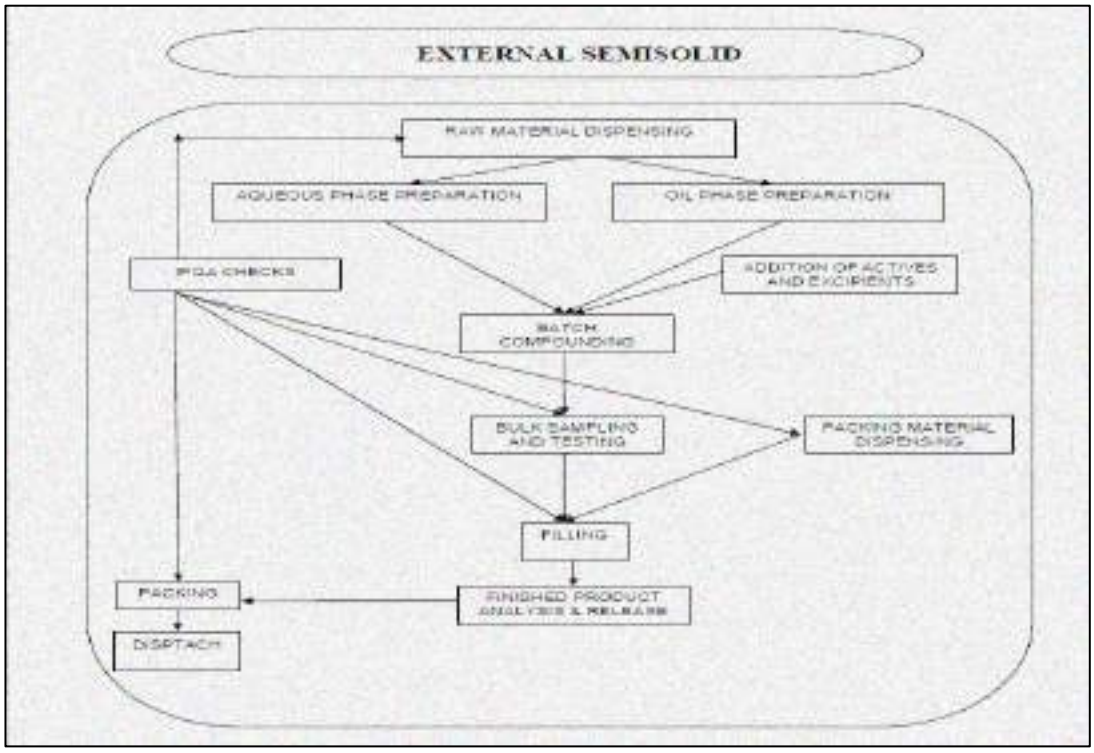
6. BOTTLE FILLING: After bulk releasing from QC and the line clearance done by QA personal further bottle filling process will be performed for product as per product specific BMR / BPR.

7. PACKAING MATERIAL DISPENSING: Dispensing activities are performed by Stores person in presence of Production and QA personal, by weighing / measuring / counting and transferring specific quantity of materials required as per product specific BPR document for packing of product.

8. FINISH PRODUCT ANALYSIS AND RELEASE: QA personal take the manufactured bulk drug product sample for analysis and QC Person will test the Bulk drug analysis as per product specification in Quality control lab and only after releasing of Bulk product, further filling / packing process will be performed for product

9. PACKING: After the Bulk releasing from QC and line clearance done by QA person, further filling and packing process to be done of by Production as per product specific BPR.

10. DISPATCH: After final packing of product and Finished product released by QC, authorized by QA, dispatch person will generate Invoice for Product dispatching for sale the product to customer.



SEMISOLID MANUFACTURING

1. RM DISPENSING: Dispensing activities are performed by Stores person in presence of Production and QA personal, by weighing / measuring and transferring specific amounts of materials required as per product specific BMR document for manufacturing of product.

2. AQUEOUS PHASE: charged purified water mix with EDTA in aqueous phase kettle.

3. OIL PHASE: All oil based raw material mixing in manufacturing vessel and heat.

4. BATCH COMPOUNDING: All added raw material active and exipients mix in manufacturing vessel with continue stirring as per specific requirement in BMR

5. ADDITION OF ACTIVE AND EXCIPIENT: All dispensed actives & excipients with continue stirring are mixed by production personal, in manufacturing vessel as per product specific BMR for product manufacturing.

6. IPQA CHECK: All the activities dispensing / manufacturing and packing performed during different production stages to be monitor by QA personal for all the parameter per product specific BMR / BPR.

7. BULK SAMPLING AND TESTING: QA person take the manufactured bulk drug products sample for analysis and QC Person will test the Bulk drug analysis as per product specification in Quality control lab and only after releasing of Bulk product, further filling / packing process will be performed for product

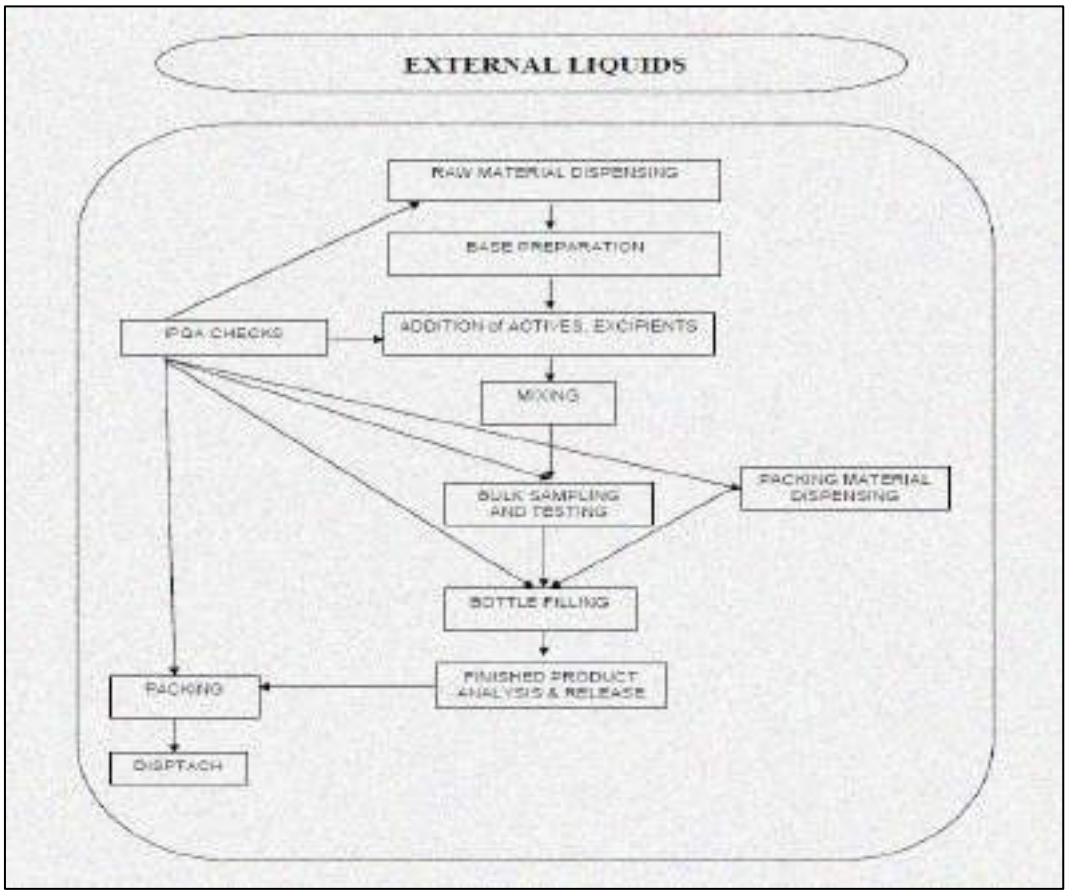
8. FILLING : After bulk releasing from QC the line clearance done by QA personal further Tube / Jar filling process will be performed for product as per product specific BMR / BPR. .

9. PACKING MATERIAL DISPENSING: Dispensing activities are performed by Stores person in presence of Production and QA personal, by weighing / measuring / counting and transferring specific quantity of materials required as per product specific BPR document for packing of product.

10. FINISHED PRODUCT ANALYSIS AND RELEASE: QA personal take the manufactured bulk drug product sample for analysis and QC Person will test the Bulk drug analysis as per product specification in Quality control lab and only after releasing of Bulk product, further filling / packing process will be performed for product

11. PACKING: After the Bulk releasing from QC and line clearance done by QA person further filling and packing process to be done of by Production as per product specific BPR..

12. DISPATCH: After final packing of product and Finished product released by QC, authorized by QA, dispatch person will generate Invoice for Product dispatching for sale the product to customer.



EXTERNAL MANUFACTURING

1. RAW MATERIAL DISPENSING: Dispensing activities are performed by Stores person in presence of Production and QA personal, by weighing / measuring and transferring specific amounts of materials required as per product specific BMR document for manufacturing of product.

2. EMULSION PREPARATION: All dispensed raw material mixed in Clean manufacturing vessel in manufacturing area as per product specific BMR. The emulsion preparation is a crucial step in the production of pharmaceutical liquid external dosage forms.

3. ADDITION OF ACTIVES AND EXCIPIENTS: All dispensed actives & excipients with continue stirring are mixed by *production personal, in manufacturing vessel as per product specific* BMR for product manufacturing.

4. MIXING: All added raw material active and excipients mix in manufacturing vessel with continue stirring as per product specific requirement given in BMR

5. BULK SAMPLING AND TESTING: QA personal take the manufactured bulk drug products sample for analysis and QC Person will test the Bulk drug analysis as per product specification in Quality control lab and only after releasing of Bulk product, further filling / packing process will be performed for product.

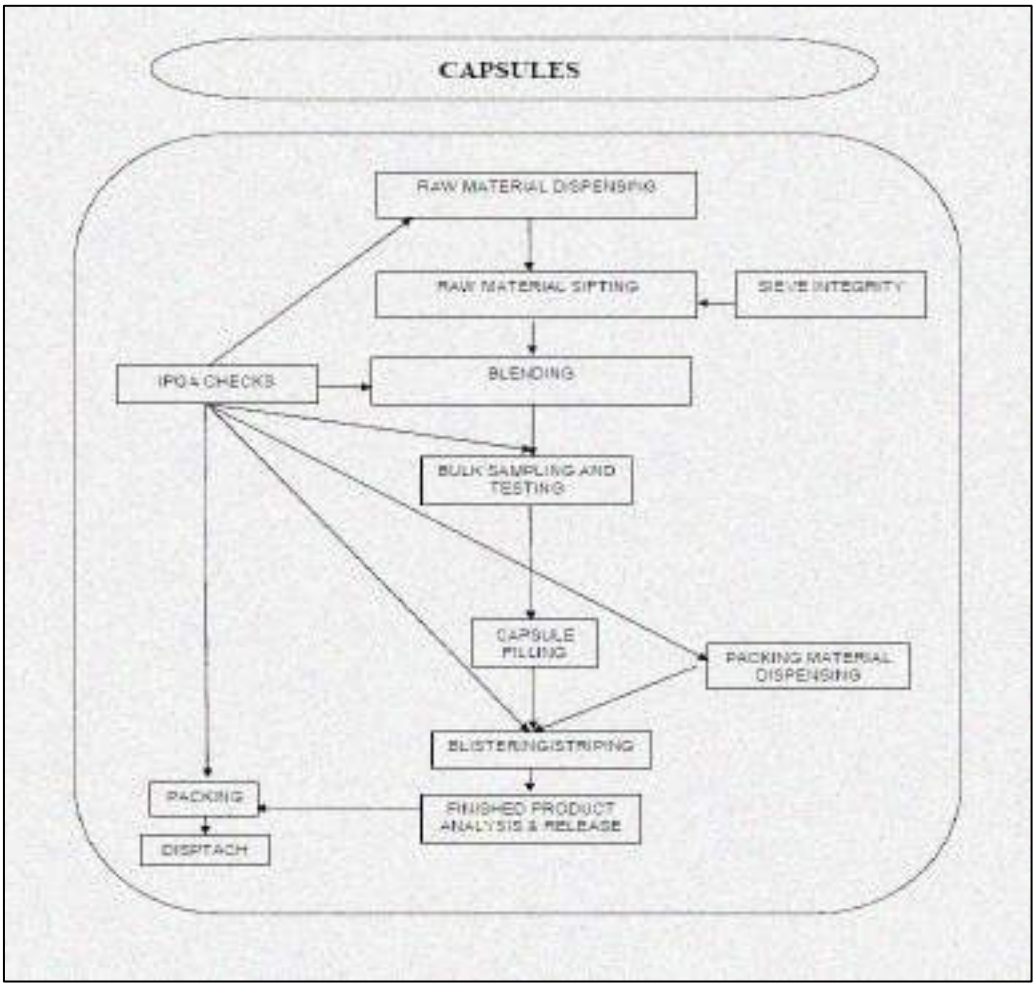
6. BOTTLE FILLING: :After bulk releasing from QC the line clearance done by QA personal further bottle filling process will be performed for product as per product specific BMR / BPR.

7. PACKING MATERIAL DISPENSING: Dispensing activities are performed by Stores person in presence of Production and QA personal, by weighing / measuring / counting and transferring specific quantity of materials required as per product specific BPR document for packing of product.

8. FINISHED PRODUCT ANALYSIS AND RELEASE :QA personal take the manufactured bulk drug product sample for analysis and QC Person will test the Bulk drug analysis as per product specification in Quality control lab and only after releasing of Bulk product, further filling / packing process will be performed for product

9. PACKING : After the Bulk releasing from QC and line clearance done by QA person further filling and packing process to be done of by Production as per product specific BPR.

10. DISPATCH: After final packing of product and Finished product released by QC, authorized by QA, dispatch person will generate Invoice for Product dispatching for sale the product to customer.



CAPSULE MANUFACTURING

1. RAW MATERIAL DISPENSING: Dispensing activities are performed by Stores person in presence of Production and QA personal, by weighing / measuring and transferring specific amounts of materials required as per product specific BMR document for manufacturing of product.

2. RAW MATERIAL SIFTING: After Dispensing sifting is done, it is the process in which the separation of particles of different sizes done . It is essential to the pharmaceutical industry's capsule manufacturing process.

3. SIEVING: All dispensed materials are transferred through specific size sieves by the production personal, as per product specific BMR for removal of any fiber / particles and uniform particle size reduction required to be used for product manufacturing

4. BLENDING: All dispensed and sifted raw material mixed in clean manufacturing blender in manufacturing area. Blending of powders is a crucial step in the production of pharmaceutical dry powder dosage forms. The active pharmaceutical ingredient (API) required to be blended with other excipients as per product specific BMR.

5. IPQA CHECK: All the activities dispensing / manufacturing and packing performed during different production stages to be monitor by QA personal for all the parameter per product specific BMR / BPR.

6. BULK SAMPLING AND TESTING: QA personal take the manufactured bulk drug product sample for analysis and QC Person will test the Bulk drug analysis as per product specification in Quality control lab and only after releasing of Bulk product, further filling / packing process will be performed for product.

7. PACKING MATERIAL DISPENSING: Dispensing activities are performed by Stores person in presence of Production and QA personal, by weighing / measuring / counting and transferring specific quantity of materials required as per product specific BPR document for packing of product.

8. CAPSULE FILLING: After the Bulk releasing from QC and line clearance done by QA person further filling process to be done in Capsule filling area and then further packing process done.

9. BLISTER STRIPING: After Capsule filling process, filled capsules are packed in Blister Strips, and then further packed in carton and shipper for sale to customer as per product specific BPR.

10. FINISH PRODUCT ANALYSIS AND RELEASE: After filling and Packing Process of Product Sampling done by QA person & Testing performed by QC person as per product specification and after QC release, product can be release for dispatch by QA.

11. PACKING: After the Bulk releasing from QC and line clearance done by QA person further filling and packing process to be done of by Production as per product specific BPR.

12. DISPATCH: After final packing of product and finished product released by QC, authorized by QA, dispatch person will generate Invoice for Product dispatching for sale the product to customer.

OUR COMPETITIVE STRENGTHS

Zenith Drugs Limited possesses several distinct strengths and unique attributes that differentiate the company from its competitors in the pharmaceutical industry:

Experienced Promoters and Management Team:

Our Promoters have played a key role in guiding, developing, and growing our business. Under the leadership and experience of our Promoters, our company has seen significant growth in the overall business since 2004. We believe that leadership is the result of teamwork where a consensus is arrived at for implementation of new ideas & business practices to widen our competitive advantage. Our Promoters, who also form part of the Board of Directors of our Company, have a proven background and experience in the manufacturing of pharmaceutical formulations.

Also, our Company is managed by a team of industry experienced members in domestic and international markets. The team comprises of personnel having technical, operational, and business development experience in chemical and pharmaceutical industries. We believe that our management team's experience and their understanding of the industry, regulatory affairs, manufacturing, quality control, sales, marketing, and finance will enable us to continue to take advantage of both current and future market opportunities within India and Abroad.

We believe our Promoters and Management's overall experience and vision will enable us to manage and grow our business in the existing markets and to enter new geographies with our competitive advantage. This will help us in addressing and mitigating various risks inherent in our business, including technical problems, facing the competitive landscape changes in global economy resulting in fluctuations in chemical and pharmaceutical pricing across the globe, etc.

Cost Efficiency:

Zenith Drugs Limited has a competitive advantage in terms of cost efficiency. The company is able to produce pharmaceutical products at a lower cost while maintaining high-quality standards. This advantage may be attributed to efficient manufacturing processes, economies of scale, and strategic sourcing strategies. Due to our cost efficiency, we can efficiently conduct white label manufacturing, for esteemed pharma companies.

Formulations & Development:

Zenith is a technology driven organization supported by extensive F&D departments; coupled with well-equipped laboratories and best talented technical officials of the industry. Great Emphasis is laid on Upgrading process technology, Cost reduction, Pilot plant Research, Improvement in Quality, Optimum utilization of resources, Development of new products. In its essence, improving the quality of formulations and developing newer & innovative dosage forms are the ongoing jobs of the F&D departments. Zenith Laboratory is fully equipped for Physical and metallurgical testing, Micro-

biological testing, Effective controls of the process, Chemical testing, Pharmacological testing, Stability Studies etc. Zenith has not only the new products that we work towards but we work on making the existing ones better.

Regulatory Compliance:

Zenith Drugs has a strong track record of regulatory compliance and quality assurance. The company consistently meets or exceeds stringent international standards set by regulatory bodies such as the FDA and WHO. This commitment to compliance instills trust in both customers and regulators, providing a significant competitive advantage.

Global Reach:

Zenith Drugs boasts a well-established international presence with distribution networks spanning multiple countries. This global reach enables the company to access a broader customer base and diversify its revenue streams, giving it a competitive edge over competitors with more limited geographic coverage.

Product Portfolio:

A diverse and well-balanced product portfolio is another key competitive advantage for Zenith Drugs. The company offers a comprehensive range of products, including generic drugs, branded pharmaceuticals, over-the-counter (OTC) products, and specialized medications. This diverse portfolio allows Zenith Drugs to cater to various market segments and respond effectively to changing market demands.

Supply Chain Efficiency:

Zenith Drugs maintains an efficient and well-managed supply chain. This efficiency results in reduced lead times, minimized inventory costs, and improved overall responsiveness to market changes. Such streamlined supply chain operations provide a significant competitive advantage in the pharmaceutical industry, where timeliness and efficiency are crucial factors.

By leveraging these competitive advantages, Zenith Drugs Limited continues to thrive in the highly competitive pharmaceutical market, delivering high-quality products, satisfying customer needs, and driving its long-term success.

Scalable Business Model

We believe that we have a scalable business model as our business model is customer-centric and order driven, and requires optimum utilization of our existing resources, assuring quality supply and achieving consequent economies of scale. The business scale generation is basically due to the development of new markets and products in both domestic and international markets by exploring customer needs, marketing expertise and consistent product quality.

Strong sales, marketing, and distribution capabilities

We have been supplying our products Pan India and hence are not dependent on any region. We believe that our widespread domestic presence not only mitigates the risk of dependence on a few regions but also helps us to leverage our brand value. We have dedicated sales and marketing team and an extensive domestic distribution network for Pharma business. This division focuses on generating significant demand for our products in India. This division also works on maintaining the existing clients and acquiring new clients for our products. Zenith's ability to handle both manufacturing and marketing in-house allows for seamless coordination and control over the entire product lifecycle. This streamlined approach minimizes complexities and ensures efficient operations from production to distribution, enhancing overall productivity and effectiveness.

OUR BUSINESS STRATEGY

We intend to strengthen our position in India and further expand our operations internationally in regulated and semi-regulated markets to achieve long-term sustainable growth, increase brand value, achieve operational excellence, strengthen existing services, customer satisfaction, innovation, and marketing etc. Our principal strategies and initiatives to achieve these objectives are set out below:

Increase by Targeting Unexplored Markets

Zenith can pursue market expansion strategies by targeting new geographic regions and customer segments. This can involve entering untapped international markets where there is demand for pharmaceutical products. Additionally, Zenith can explore partnerships or collaborations to leverage the distribution networks and expertise of local players in those markets as part of our growth strategy, we intend to target regulated markets as well as enhance our presence in existing

geographies. We want to obtain approvals for launching our newer products in the African and South-East Asian regions. Our growth strategy will vary from country to country depending on applicable regulatory norms. The commercialization of products under registration will add to the growth. We will continue to evaluate additional markets and product opportunities, including potential acquisitions and relationships which we believe will be beneficial to increase our presence in Domestic Markets as well as Export markets.

Product Diversification:

Zenith has successfully established itself in the market by manufacturing, marketing, and selling a diverse range of products in the Liquid Orals, Ointments, ORS Powder, Liquid Externals, and Capsules segments. Building upon our existing strengths, we recognize the opportunity to further expand our product portfolio and cater to a wider range of medical conditions and customer preferences. As part of our growth strategy, we plan to introduce a new line of Tablets and Injectors, enabling us to target specific segments and enhance our market reach. By venturing into the Tablet and Injectors segment, Zenith aims to leverage its existing capacities, skilled manpower, and available resources more effectively. This expansion will allow us to capitalize on our strong customer base, established trade relationships, and the goodwill we have garnered in the pharmaceutical industry. Our existing marketing channels and distribution networks will play a pivotal role in successfully launching and promoting these new products.

With the addition of Tablets and Injectors to our product range, we will be equipped to address the unique needs of patients across a broader spectrum of medical conditions. This diversification strategy aligns with our commitment to providing comprehensive healthcare solutions and reinforces our position as an innovative and customer-centric pharmaceutical company. We understand that launching new products requires meticulous planning, market research, and a comprehensive understanding of customer demands and preferences. Our team will conduct thorough market analysis to identify key target segments and develop tailored marketing strategies to effectively promote the new Tablet and Injectors line. Additionally, we will continue to uphold our commitment to quality and regulatory compliance, ensuring that these new products meet the highest industry standards. By expanding our product range into the Tablet and Injectors segment, Zenith is confident in our ability to seize market opportunities, meet evolving customer needs, and drive sustainable growth. We remain dedicated to our mission of contributing to the well-being of patients by continuously enhancing our product offerings and delivering innovative healthcare solutions.

Formulations and Developments:

F&D allows Zenith to create unique formulations that differentiate its products from competitors. By investing in research and development, Zenith can develop novel drug formulations with improved efficacy, safety profiles, patient compliance, or convenience. These differentiated formulations can give Zenith a competitive edge in the market and enhance its brand reputation. F&D efforts often result in the creation of intellectual property (IP) assets such as patents and trademarks. These IP rights provide Zenith with legal protection and exclusivity over its formulations, preventing competitors from replicating or commercializing similar products. This strengthens Zenith's market position and allows for long-term revenue generation from its proprietary formulations.

Partnerships and Licensing Opportunities:

Successful F&D initiatives can open doors to collaborative partnerships and licensing opportunities. Zenith can explore partnerships with academic institutions, research organizations, or other pharmaceutical companies to jointly develop and commercialize formulations. These collaborations can leverage shared resources, expertise, and distribution networks, leading to accelerated development timelines and market entry.

Regulatory Compliance:

Regulatory Compliance ensures that Zenith's products meet stringent quality standards set by regulatory authorities. By implementing robust quality management systems and adhering to Good Manufacturing Practices (GMP), Zenith can consistently manufacture products that are safe, effective, and of high quality. This commitment to quality builds customer trust and enhances the company's reputation in the pharmaceutical industry. Regulatory Compliance is essential for Zenith to obtain regulatory approvals and market authorizations to sell its products. By complying with local and international regulations, Zenith can access new markets and expand its geographical footprint. This strategy enables Zenith to reach a wider customer base, increase revenue streams, and capitalize on growth opportunities.

SWOT ANALYSIS OF OUR COMPANY

STRENGTHS	WEAKNESSES
• Diverse product portfolio • Quality & Innovative product gives a market edge for most of the suppliers.	• Dependent upon growth in Pharma industry & competition from international suppliers.

• Competitive edge in terms of quality and bidding. • Good marketing & distribution network. • Vast Experience of Promoters in the Field.	• The requirement of Finance to cater to at a national level. • Limited market share & presence in a few segments. • Dependence on existing customer base. • Competitors can offer similar products quickly.
OPPORTUNITIES	**THREATS**
• Growing acceptance by consumers of new and innovative formulation and awareness. • Rising in demand for products in emerging areas and export. • Market expansion. • New product development. • Strategic partnerships	• Changes in government policies. • Fluctuations in raw material prices. • Rising labour wages. • Change of behaviour of consumer demand. • Increase in Input cost can cause upward pricing. • Competitive landscape.

QUALITY CONTROL AND CERTIFICATIONS

Zenith Pharmaceuticals is proud to be a WHO GMP Certified plant, demonstrating its commitment to manufacturing high-quality pharmaceutical products. With its own in-house state-of-the-art Quality Control Laboratory, Zenith ensures rigorous testing of both raw materials and finished goods. The laboratory is equipped with advanced technology and staffed by technically qualified experts who can handle 24-hour quality tastings. This comprehensive testing process assures that all products manufactured by Zenith meet the highest standards in terms of quality and adherence to regulatory requirements.

Furthermore, Zenith goes beyond product quality and also focuses on evaluating the quality of its systems and processes. This holistic approach ensures that every aspect of the manufacturing and quality control processes is assessed and optimized to deliver consistent and reliable results. Zenith's commitment to quality is further reinforced by its certifications, including:

1. WHO-GMP Certificate,

2. GLP Certificate,

3. ISO-9000,

4. LMHRA certification, and more.

These certifications validate Zenith's adherence to international standards and regulatory guidelines.

By having timely quality tests of our products by Quality Control Laboratory, technically qualified manpower, and a range of certifications, Zenith Pharmaceuticals is well-positioned to maintain its reputation for delivering high-quality products. This commitment to quality not only ensures customer satisfaction but also strengthens Zenith's position in the industry and fosters trust among healthcare professionals and patients alike.

Treatment of Hazardous Waste

Zenith Drugs Limited, the operator of the facility located at 72 / 5 Muradpura, Dhar Road, Tehsil-Depalpur, Indore, is authorized to carry out the collection, reception, treatment, storage, transport, and disposal of hazardous waste under Grant of authorization under Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 by the State Pollution Control Board.

Also consent under section 25 of the Water (Prevention & Control of Pollution) Act, 1974, and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981, is granted to M/s. Zenith. This consent allows Zenith to continue its operations in compliance with the respective pollution control regulations.

Zenith has also entered into agreement with Ramky Enviro Engineers Limited for collection, transportation, treatment, storage and disposal of waste generated by the company.

SALES, MARKETING AND DISTRIBUTION

At Zenith Drugs, we possess robust sales, marketing, and distribution capabilities that contribute to our success in the pharmaceutical industry. Our approach is centered on building a strong presence across India, ensuring that we are not

reliant on any particular region. This strategy not only mitigates the risk associated with dependence on specific areas but also allows us to leverage our brand value effectively.

To drive demand for our products in India, we have a dedicated sales and marketing team in place. This team is focused on generating significant demand by implementing strategic marketing initiatives and building strong relationships with healthcare professionals, pharmacies, and other relevant stakeholders. Our aim is to create awareness and promote the benefits of our pharmaceutical offerings to a wide customer base.

In addition to our sales and marketing efforts, we have established an extensive domestic distribution network. This network ensures efficient and timely delivery of our products to various regions across the country. By having a well-managed distribution system, we can cater to the needs of our customers promptly and maintain high levels of customer satisfaction.

Furthermore, our sales and marketing division is not only responsible for generating new business but also plays a vital role in maintaining strong relationships with our existing clients. We believe in providing exceptional customer service and support to ensure their continued satisfaction. Additionally, our team actively seeks opportunities to acquire new clients and expand our customer base, further strengthening our market position.

Through our strong sales, marketing, and distribution capabilities, we aim to maximize the reach and impact of our pharmaceutical products throughout India. We are committed to delivering high-quality medications and building lasting relationships with our customers, positioning Zenith Drug as a trusted and preferred pharmaceutical provider in the industry.

STATEWISE REVENUE DISTRIBUTION:

State	2022-23	2022-21	2021-20
Madhya Pradesh	21.58%	39.53%	45.16%
Maharashtra	15.66%	12.11%	18.87%
Rajasthan	14.69%	10.12%	7.30%
Karnataka	10.06%	10.12%	0.49%
Others	38.01%	28.12%	28.18%

MARKETING STRATEGY

Economies of scale as a marketing strategy for Zenith

Zenith strategically utilizes economies of scale as a marketing strategy to gain a competitive advantage in the pharmaceutical industry. By leveraging economies of scale, Zenith can achieve cost efficiencies, enhance its market presence, and deliver value to its customers. Here's how Zenith employs economies of scale as a marketing strategy:

- **Cost Reduction:** Economies of scale allow Zenith to reduce its overall marketing costs. By operating at a larger scale, Zenith can spread its fixed marketing expenses over a larger volume of products or customer base. This results in lower average marketing costs per unit, enabling the company to offer competitive pricing to its customers while maintaining profitability.

- **Negotiating Power:** Operating at a larger scale enhances Zenith's negotiating power with suppliers, distributors, and other stakeholders in the marketing ecosystem. The company can secure favourable terms, such as discounted pricing, better distribution arrangements, and preferential treatment. These advantages further contribute to cost savings and competitive pricing, strengthening Zenith's market position.

- **Enhanced Distribution Network:** Economies of scale enable Zenith to invest in and expand its distribution network. By reaching a broader geographic area, Zenith can tap into new markets and customer segments. This expansion enhances accessibility to its products, improves customer convenience, and drives sales growth.

- **Research and Development Investments:** Zenith can allocate a significant portion of its resources to research and development (R&D) activities due to economies of scale. This investment fosters product innovation and differentiation, enabling Zenith to introduce new and improved pharmaceutical offerings to the market. By continuously enhancing its product portfolio, Zenith can meet evolving customer needs and gain a competitive edge.

Overall, leveraging economies of scale as a marketing strategy enables Zenith to achieve cost efficiencies, extend its reach, strengthen its distribution network, and invest in innovation. By capitalizing on these advantages, Zenith can deliver value to customers, maintain a competitive position in the market, and drive sustainable business growth.

INFRASTRUCTURE FACILITIES FOR UTILITIES LIKE ELECTRICITY WATER & POWER

Infrastructure Facilities

Our registered office and Factory are situated K. No. 72/5, Village Muradpura, Depalpur, Indore – 453001, Madhya Pradesh, India. Our registered office is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

Power

We have arrangements for regular power supply at our registered office. This power is being supplied to us from M.P. Paschim Kshetra Vidyut Vitaran Company Limited at our registered office.

Water

Our registered office has adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises.

CAPACITY AND CAPACITY UTILIZATION

Capacity Utilisation Calculation from April 01, 2020 – March 31, 2021					
Category	**Oral Liquid [1]**	**Semi Solids (Ointments)[2]**	**External Liquid [3]**	**Capsules [4]**	**ORS [5]**
Installed Capacity (Qty. in Lakhs)	420	480	180	4800	1440
Production (Qty. in Lakhs)	272	234	55	1640	705
Capacity Utilisation (%)	**64.76**	**48.75**	**30.55**	**34.16**	**48.95**

1) No of Bottles; 2) No of Tubes; 3) No of Bottles; 4) No of Capsules; 5) No of Sachet

Capacity Utilisation Calculation from April 01, 2021 – March 31, 2022					
Category	**Oral Liquid [1]**	**Semi Solids (Ointments)[2]**	**External Liquid [3]**	**Capsules [4]**	**ORS [5]**
Installed Capacity (Qty. in Lakhs)	420	480	180	4800	1440
Production (Qty. in Lakhs)	321	338	80	2004	873
Capacity Utilisation (%)	**76.42**	**70.41**	**44.44**	**41.75**	**60.62**

1) No of Bottles; 2) No of Tubes; 3) No of Bottles; 4) No of Capsules; 5) No of Sachet

Capacity Utilisation Calculation from April 01, 2022 – March 31, 2023					
Category	**Oral Liquid [1]**	**Semi Solids (Ointments)[2]**	**External Liquid [3]**	**Capsules [4]**	**ORS [5]**
Installed Capacity (Qty. in Lakhs)	420	480	180	4800	1440
Production (Qty. in Lakhs)	376	456	130	2006	1074
Capacity Utilisation (%)	**89.52**	**95.00**	**72.22**	**41.79**	**74.58**

1) No of Bottles; 2) No of Tubes; 3) No of Bottles; 4) No of Capsules; 5) No of Sachet

Capacity Utilisation Calculation from April 01, 2023 – September 30, 2023					
Category	**Oral Liquid [1]**	**Semi Solids (Ointments)[2]**	**External Liquid [3]**	**Capsules [4]**	**ORS [5]**
Installed Capacity (Qty. in Lakhs)	420	480	180	4800	1440
Production (Qty. in Lakhs)	395	474	152	2746	1120
Capacity Utilisation (%)	**94.05**	**98.75**	**84.44**	**57.21**	**77.78**

1) No of Bottles; 2) No of Tubes; 3) No of Bottles; 4) No of Capsules; 5) No of Sachet

MATERIAL CONTRACTS

Sr. No.	Party Name	Purpose of the Agreement	Date of Agreement
1.	Ajanta Pharma Limited	Manufacture Products bearing Trademark of Ajanata Limited	March 22, 2019
2.	Chemosyn Limited and Pro Laboratories Private Limited	Zenit Manufacture for Pro Laboratories and pro laboratories to sell by using his own branding for sale. Zenith will manufacture for Chemosyn Limited and Chemosyn will sell exclusive for Pro Laboratories only.	December 01, 2022
2	BVM Pharmacy	Manufacturing Agreement	August 25, 2023
3	Karishma International	Manufacturing Agreement	August 10, 2023
4	Medizone Healthcare Company Limited	Distribution Agreement	January 6, 2022
6	Biomedical Laboratories Private Limited	Manufacture Agreement	December 14, 2020
8	Zest Pharma	Technical & Marketing Agreement for Contract Manufacturing of Pharmaceutical Product	March 1, 2021
9	Rajasthan Medical Services Corporation Limited	Manufacturing Agreement	October 28, 2022
10	Rajasthan Medical Services Corporation Limited	Manufacturing Agreement	June 28, 2023
11	Rajasthan Medical Services Corporation Limited	Purchaser Supplier Agreement	August 29, 2022
12	Ramky Enviro Engineers Limited	Collection, Transportation, treatment, storage and disposal of Waste generated by the company	August 11, 2020
13	Telangana State Medical Services and Infrastructure Development Corporation	Purchaser Supplier Agreement	September 24, 2022
14	Rajasthan Medical Services Corporation Limited	Purchaser Supplier Agreement	August 29, 2022
15	Odisha State Medical Corporation Limited	Purchaser Supplier Agreement	August 7, 2023
16	Odisha State Medical Corporation Limited	Purchaser Supplier Agreement	August 19, 2023
17	Madhya Pradesh Public Health Services Corporation Limited	Purchaser Supplier Agreement	September 13, 2022

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As of March 31, 2023, there are total of 89 employees out of which 61 are on payroll basis and 28 employees are on contract basis. In addition to our own employees, our operations also involve additional workers who are hired on a contract labour basis.

We have encountered no significant work disruptions to date and we believe that we have maintained good relations with our employees.

COMPETITION

Our Company operates in the Chemical and pharmaceutical sector which faces competition from domestic as well as international players. Competition emerges from both organized and unorganized sector including private and public companies. The primary competitive factors consist of quality, technology, prompt delivery, price, size of product portfolio and customer service. Our competitors also may obtain other regulatory approvals for their products more rapidly than we may obtain approval for our products, which could result in our competitors establishing a stronger market position before we are able to enter the market. Many of the companies against which we are competing, or against which we may compete in the future, have significantly greater financial resources and expertise in research and development, manufacturing, obtaining regulatory approvals and marketing approved products than we do. Moreover, as we seek to diversify into new geographical areas globally, we may face competition from local companies, multinational corporations and companies from other emerging markets operating in such markets. We compete with our competitors on the basis of

product quality, brand image, price and reliability. We continuously strive to increase our distribution channel to increase our domestic presence and increase our global reach. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way by improving our brand image, increasing our product offerings, satisfying customer demands, achieving operating efficiencies, and more.

COLLABORATIONS

Sr. No.	Party Name	Purpose of the Collaboration	Date of Agreement
1.	Mr. Kshatriya Valtaprasad Nandkishore	Carrying out the task of Marketing and Export of the products manufactured by Zenith.	August 24, 2023

PLANT & MACHINERY









IMPORTS-EXPORTS AND IMPORT-EXPORT OBLIGATIONS

There are no Import- Export Obligation as on date of filing this Red Herring Prospectus.

OUR PROPERTIES

Properties Owned by the Company

Sr. No.	Location	Name of Seller	Document and Date	Consideration (Rs in lakh)	Usage
1.	Factory- K.No 72/5, Village Muradapur, Tehsil-Depalpur, Indore.	Neeraj Vadhvani	NOC and Date July 07, 2014	20.24	Factory
2.	Factory- K.No 72/3, 74/1/1, 75/1/1, Village-Muradapur, Tehsil-Depalpur, Indore.	Flexicap & Polymers Private Limited	Conveyance Deed Date November 20, 2019	63.82	Vacant Land
3.	Land – Khajurai, Tehsil Hatod Dist. Indore (M.P.)	Smt. Archana Varma	Sale Deed Date March 27, 2022	21.86	Agriculture Land
4.	Kanchan Vihar, 184, Shri Shyam Darshan, Indore.	Rasmniwas Sharma	Conveyance Deed Date August 16, 2019	24.50	Guest House

Properties Rented by the Company

Sr. No	Location	Name of Lessor / Licensor	Document	Rent (In Rs)	Period of Agreement		Usage
					From	To	
1.	Industrial Land – Village Mohna Tehsil Depalpur Dist. Indore (M.P.)	MPIDC Regional office	MP179092022A1068909	3,00,000.00 (Per Annum)	January 05, 2022	January 04, 2121	Vacant land
2.	Part-1, Second Floor, 29/3, 29/4, 29/5, Talawali Chanda, Lasudia Mori, Dewas Naka, Indore, Madhya Pradesh	Mr. Ashish Shukla & Mr. Devashish Dey	Lease Deed	67,860.00 (Per Month)	December 01, 2022	November 30, 2023	Godown
3.	5 Dr. 8th Floor - Room No. 8, Sarva Mangala Properties, Rajendra Prasad Sarani, Kolkata, West Bengal – 700001	Mr. Arun Kumar More	Rent Agreement	5,000.00 (Per Month)	February 10, 2021	February 09, 2024	Branch Office
4.	At No. 1, 3rd Cross, C/o Abdul Lateef, Lal Bagh Fort Road, Doddamavalli, Bengaluru, Karnataka - 560004	Mr. Abdul Lateef	Rental Agreement	5,000.00 (Per Month)	December 01, 2023	October 31, 2024	Branch Office
5.	Near Shiv Sakti Rice Mill, C/o Virend Singh, Pingli Road, Karnal, Haryana, 132001	Mr. Virendra Singh	Rental Agreement	1,500.00 (Per Month)	January 15, 2024	December 14, 2024	Branch Office

INSURANCE POLICIES

Our Company maintains insurance against various risks inherent in our business activities. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. The following are the details of the insurance policies obtained by our Company:

Sr. No.	Name of the Insurance Policy Company	Type of Policy	Policy No.	Validity Period	Sum Insured*
1.	The New India Assurance Company Limited	Business Interruption (Fire) Policy	450700112205000000002	March 29, 2023 to March 28, 2024	₹ 11,00,00,000.00
2.	The New India Assurance Company Limited	Policy Schedule for Burglary (Single Location) Insurance	450700462201000000334	March 29, 2023 to March 28, 2024	₹ 13,00,00,000.00
3.	The New India Assurance Company Limited	Burglary Insurance Policy	450700462301000000380	January 25, 2024 to January 24, 2025	₹ 5,00,00,000.00
4.	The New India Assurance Company Limited	New India Bharat Flexi Sookshma Udyam Suraksha Policy	450700112387000000257	January 25, 2024 to January 24, 2025	₹ 5,00,00,000.00
5.	The New India Assurance Company Limited	New India Bharat Flexi Griha Raksha	450700112385000000002	January 25, 2024 to January 24, 2025	₹ 80,00,000.00

** Please note that the premium payable is inclusive of GST.*

INTELLECTUAL PROPERTY

Sr. No.	Word / Label / Mark / Design	Application No.	Class	Registration / Application date	Status / Validity
1.	*CLOZATE-GM	3611504	5	August 11, 2017	Registered
2.	*DR. MAA 	3943608	35	September 12, 2018	Registered
3.	*HOEST PHARMA	5088913	35	August 14, 2021	Registered
4.	*KODZEN	4227289	5	July 6, 2019	Registered
5.	*NYZEE	3611506	5	August 11, 2017	Registered
6.	*PARKID	4698729	5	October 13, 2020	Registered
7.	*DR. MAA with Device 	4227290	41	July 6, 2019	Registered
8.	*POVIZ-M	3611498	5	August 11, 2017	Registered
9.	*RHON-POULE LIFE SCIENCE	5088914	35	August 14, 2021	Rectification Filed
10.	*VIPROZEN	5147467	5	September 24, 2021	Registered
11.	*BECLOZEN	3611501	5	August 11, 2017	Registered
12.	*ZYTOL 	2250535	3	December 15, 2011	Registered
13.	*POVIZ	2075049	30	December 27, 2010	Registered

Sr. No.	Word / Label / Mark / Design	Application No.	Class	Registration / Application date	Status / Validity
14.	*POVIZ	2075050	3	December 27, 2010	Registered
15.	*POVIZ	1843000	5	July 23, 2009	Registered
*The said Trademark belongs to Zenith Drugs Private Limited. The Company is in the process of changing its name from Zenith Drugs Private Limited to Zenith Drugs Limited in all its approvals.					

FINANCIAL INDEBTEDNESS OF THE COMPANY

As on the date of this Red Herring Prospectus, our Company has availed unsecured loans. For further details, please refer to the section ***"Statement of Financial Indebtness"*** beginning on page 195 of this Red Herring Prospectus.

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Red Herring Prospectus, the Companies Act, 2013, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.

Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye–laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business of manufacturing of medicines. Taxation statutes such as the Income Tax Act, 1961, and applicable labour laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, its required to comply with various laws, statutes, rules, regulations, executive orders, amongst others, that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled "***Government and Other Statutory Approvals***" beginning on page number 199 of this Red Herring Prospectus.

APPLICABLE LAWS AND REGULATIONS

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars, and policies which are applicable to our Company and the business undertaken by our Company. The information detailed in this chapter, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars, and policies, as amended, and are subject to future amendments, changes and / or modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions.

BUSINESS / TRADE RELATED LAWS / REGULATIONS

The Drugs and Cosmetics Act, 1940 ("Drugs and Cosmetics Act"), Drugs and Cosmetics Rules, 1945 ("Drugs and Cosmetics Rules")

Drugs and Cosmetics Act regulates the import, manufacture, distribution and sale of drugs and cosmetics in India including labelling, packing, and testing as well as matters pertaining to drug formulations and its active ingredients. It prohibits the manufacture and sale of certain drugs and cosmetics which are misbranded, adulterated or spurious. Drugs and Cosmetics Act empowers the Central government to prescribe rules for testing and licensing new drugs. The procedures under the Drugs and Cosmetics Act and the Drugs and Cosmetics Rules provide for obtaining a series of approvals at different stages of testing drugs before the Drugs Controller, India and / or respective state licensing authority which grants the final license to allow the drug to be manufactured and marketed.

The Drugs and Cosmetics Rules mandate that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authority.

Drugs (Control) Act, 1950 (the "Drugs Control Act")

The Drugs Control Act provides for control of sale, supply, and distribution of drugs. Under the Drugs Act, any drug may be declared by the Central Government by notification to be a drug within its purview. The authorities may also prohibit the disposal or direct the sale of any specified drug.

The Petroleum Act, 1934 ("Petroleum Act") and Petroleum Rules, 2002

The Petroleum Act was passed to consolidate and amend the laws relating to the import, transport, storage, production, refining and blending of petroleum. The Petroleum Act provides that no one shall import, transport, or store any petroleum and produce, refine or blend petroleum save in accordance with the rules made the Petroleum Act. Section 23 provides the penalty for contravention of the Petroleum Act and the Petroleum Rules. The Petroleum Rules lay down rules in relation to inter alia restriction on delivery and dispatch of petroleum, importation of petroleum, and transportation of petroleum.

The New Drugs and Clinical Trial Rules, 2019 (the "NDC Rules")

The clinical trials in India are controlled by the Directorate General ("DG") of health services under the Ministry of Health and Family Welfare, Government of India. The NDC Rules lay down the process mechanics and guidelines for clinical trials, including procedure for approval for clinical trials. Clinical trials require obtaining of free, informed, and written consent from each study subject. The NDC Rules also provide for compensation in case of injury or death caused during the clinical trials. The Central Drugs Standard Control Organization has issued the guidance for industry for submission of clinical trial application for evaluating safety and efficacy, for the purpose of submission of clinical trial application as required under the NDC Rules. Further, under the NDC Rules, the ethics committee constituted thereunder is required to register itself with the central licensing authority in order to conduct any clinical trial, bioavailability study or bioequivalence study. The NDC Rules further provide for the composition and functions of the ethics committee and its period of validity. The NDC Rules further mandate the maintenance of records for a period of five years after completion of the clinical trial, bioavailability study or bioequivalence study, as the case may be.

Cosmetics Rules, 2020 (the "Cosmetic Rules")

Under the Cosmetic Rules, no cosmetic shall be imported into India unless the product has been registered in accordance with these rules by the central licensing authority i.e., the Drugs Controller General of India, appointed by the Central Government. Further, any person who intends to manufacture cosmetics shall make an application for grant of a license or loan license to manufacture for sale or for distribution to the state licensing authority. Also, it needs to be ensured that if cosmetics are manufactured at more than one premises, a separate license is obtained for each such premises. Under the Cosmetic Rules, each batch of the raw materials used for manufacturing the cosmetics, and also each batch of the final product is required to be tested and the records or registers showing the particulars in respect of such tests is required to be maintained. The Cosmetic Rules further prescribes the labelling and packaging requirements to be followed for sale or distribution of cosmetics of Indian origin.

National Pharmaceuticals Pricing Policy, 2012 (the "2012 Policy")

The 2012 Policy replaces the drug policy of 1994 and presently seeks to lay down the principles for pricing of essential drugs specified in the National List of Essential Medicines –2011 ("NLEM") declared by the Ministry of Health and Family Welfare, Government of India and modified from time to time, so as to ensure the availability of such medicines at reasonable price, while providing sufficient opportunity for innovation and competition to support the growth of the industry. The prices would be regulated based on the essential nature of the drugs rather than the economic criteria / market share principle adopted in the drug policy of 1994. Further, the 2012 Policy will regulate the price of formulations only, through market based pricing which is different from the earlier principle of cost based pricing. Accordingly, the formulations will be priced by fixing a ceiling price and the manufacturers of such drugs will be free to fix any price equal to or below the ceiling price.

The Pharmacy Act, 1948 ("Pharmacy Act")

The Pharmacy Act governs the regulation of the profession, practice of pharmacy and pharmacy councils. The function of pharmacy council which inter-alia, includes minimum standard of education laid down by Pharmacy Council of India known as the Education Regulation, minimum qualification for admission and condition to be fulfilled by university, approval of institute providing course and examination for the pharmacists and withdrawal of approval. The State Pharmacy Council maintains up-to-date register of pharmacists after collection of requisite fees. Under Section 42 of the Pharmacy Act, no person other than a registered pharmacist shall compound, prepare, mix, or dispense any medicine on the prescription of a medical practitioner.

Drugs (Prices Control) Order, 2013 (the "DPCO")

The DPCO has been notified under the ECA. The first schedule to the DPCO consists of a list of essential medicines or formulations. In relation to these scheduled formulations, the DPCO inter alia prescribes the method for calculating the ceiling price and provides that the Government shall fix and notify the ceiling prices. The DPCO also prescribes the method for calculating the retail price of a new drug in the domestic market for existing manufacturers of scheduled formulations. Further, under the DPCO, the Government has been assigned the task to monitor the production and availability of scheduled formulations and the active pharmaceutical ingredients contained in the scheduled formulation.

Drugs, Medical Devices and Cosmetics Bill, 2022 (the "Drugs Bill, 2022")

In July 2022, the Ministry of Health and Family Welfare, Government of India, released a draft of the Drugs Bill, 2022. The Drugs Bill, 2022 is proposed to amend and consolidate the laws relating to, inter alia, import, manufacture, distribution and sale of drugs and medical devices and cosmetics as well as the law relating clinical trials of new drugs

and clinical investigation of investigational medical devices. The Drugs Bill, 2022 lays down the standards of the quality of imported drugs and cosmetics and circumstances under which these would be deemed to be adulterated, spurious and misbranded. Under the Drugs Bill, 2022, the central government has the power to prohibit or restrict or regulate the import of drugs and cosmetics in public interest including to meet the requirements of an emergency arising due to epidemic or natural calamities. Further, it lays down the standards of quality for manufacture, sale and distribution of drugs and cosmetics and clinical trial of drugs. The Drugs Bill, 2022 also proposes establishment of several boards and committees to assist and advise the Central and State Governments in the administration and regulation of drugs, cosmetics and medical devices.

The Essential Commodities Act, 1955 (the "ECA")

The ECA empowers the Central Government, to control the production, supply and distribution of trade and commerce in certain essential commodities for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Under the ECA, an essential commodity means a commodity specified in the Schedule to the ECA, which is updated and notified from time to time. Using the powers under it, the Central Government has issued control orders for inter alia controlling the price of, regulating by licenses, permits or otherwise the production or manufacture of any essential commodity. Violations under the ECA are punishable by either imprisonment or monetary fines or both.

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as micro enterprise, where the investment in plant and machinery does not exceed twenty-five lakh rupees; Small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, Micro enterprise, where the investment in equipment does not exceed ten lakh rupees, Small Enterprise where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or Medium Enterprise where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Good Manufacturing Practice Guidelines (GMP)

These guidelines are provided under 'Schedule T' of Drug and Cosmetic Act, 1940. Good manufacturing practices (GMP) are the practices required in order to confirm the guidelines recommended by agencies that control authorization and licensing for manufacture and sale of food, drug products, and active pharmaceutical products. These guidelines provide minimum requirements that a pharmaceutical or a food product manufacturer must meet to assure that the products are of high quality and do not pose any risk to the consumer or public. Good manufacturing practices, along with good laboratory practices and good clinical practices, are overseen by regulatory agencies in various sectors in India.

The Legal Metrology Act, 2009 ("Legal Metrology Act")

The Legal Metrology Act, along with the relevant rules, establishes and enforces standards of weights and measures, regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or numbers. Any transaction relating to goods or a class of goods shall be as per the weight, measurements or numbers prescribed by the Legal Metrology Act. The Central Government is empowered to appoint a director to exercise the powers and to discharge duties. The Legal Metrology Act prohibits the manufacture, packing, selling, importing, distributing, delivering, offer for sale of any pre-packaged commodity if such does not adhere to the standard regulations set out.

The Legal Metrology (Packaged Commodities) Rules, 2011 ("Legal Metrology Rules")

The Legal Metrology Rules are ancillary to the Legal Metrology Act, and set out to define various manufacturing and packing terminology. It lays out specific prohibitions where manufacturing, packing, selling, importing, distributing, delivering, offering for sale would be illegal and requires that any form of advertisement where the retail sale price is given must contain a net quantity declaration. Circumstances which are punishable are also laid out.

LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED

The Madhya Pradesh Shops and Establishments Act, 1958 (the "Act")

Under the provisions of the Act, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Madhya Pradesh Vritti Kar Adhiniyam, 1995 (the "Act")

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution of India. The professional tax is classified under various tax slabs in India. The tax payable under the State, acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

GENERAL CORPORATE COMPLIANCE

Companies Act, 2013 (the 'Companies Act")

The Companies Act has replaced the previous Companies Act of 1956 in a phased manner. The Companies Act received the assent of President of India on 29th August 2013.

The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act. The procedure related to appointment of directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Companies Act.

Further, Schedule V, Part I of the Companies Act (read with sections 196 and 197 of the Companies Act) lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of acts under which if a person is prosecuted, he cannot be appointed as the director or managing director or manager of a company. The provisions relating to remuneration of the directors payable by the companies is under Part II of Schedule V of the Companies Act.

ENVIRONMENTAL LEGISLATIONS:

The Environment Protection Act, 1986 and Environment (Protection) Rules, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exists among water, air and land, and human beings and other living creatures such as plants, micro-organisms and property. Further, the Ministry of Environment and Forests looks into Environment Impact Assessment. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment which is assessed by the Ministry in detail before granting clearances for such proposed projects.

National Environmental Policy, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

1. Conservation of Critical Environmental Resources

2. Intra-generational Equity: Livelihood Security for the Poor

3. Inter-generational Equity

4. Integration of Environmental Concerns in Economic and Social Development

5. Efficiency in Environmental Resource Use

6. Environmental Governance

7. Enhancement of resources for Environmental Conservation.

Air (Prevention and Control of Pollution) Act, 1981

Air (Prevention and Control of Pollution) Act 1981 (-the Act) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 (the Act) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

The Municipal Solid Wastes (Management and Handling) Rules, 2000 as superseded by Solid Waste Management Rules, 2016

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town, was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 make the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

The Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016

Hazardous Waste Management Rules are notified to ensure safe handling, generation, processing, treatment, package, storage, transportation, use reprocessing, collection, conversion, and offering for sale, destruction and disposal of Hazardous Waste. These Rules came into effect in the year 1989 and have been amended later in the years 2000, 2003 and with final notification of the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 in supersession of former notification. The Rules lay down corresponding duties of various authorities such as MoEF, CPCB, State / UT Govts., SPCBs / PCCs, DGFT, Port Authority and Custom Authority while State Pollution Control Boards / Pollution Control Committees have been designated with wider responsibilities touching across almost every aspect of Hazardous wastes generation, handing and their disposal.

EMPLOYMENT AND LABOUR LAWS

The Code on Wages, 2019 (the "Code")

The Code received the assent of the President of India on August 8, 2019. The Code is yet to be notified in the Official Gazette. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage. In pursuance of the

Code, the Code on Wages (Central Advisory Board) Rules, 2021 have been notified, which prescribe, inter alia, the constitution and functions of the Central Advisory Board set up under the Code on Wages, 2019.
The four existing laws are as follows:

- **The Payment of Wages Act, 1936**

Payment of Wages Act, 1936, as amended, Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory / establishment, of the abstracts of this Act and Rules made there under.

- **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

- **The Payment of Bonus Act, 1965 (the "PoB Act")**

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

- **The Equal Remuneration Act, 1976**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The Act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution of India.

Occupational Safety, Health and Working Conditions Code, 2020

The Government of India enacted 'The Occupational Safety, Health and Working Conditions Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The laws that concern our business are as follows:-

- **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 requires establishments that employ or have employed on any day in the preceding twelve months, twenty or more workers as contract labour to be registered. The Act requires the principal employer of an establishment to which the Contract Labour Act applies to make an application for registration of the establishment to employ contract labour in the establishment. Contractor to whom the Contract Labour Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The Contract Labour Act imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

- **The Factories Act, 1948**

The Factories Act, 1948, as amended, defines a "factory" to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration / licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

Industrial Relations Code, 2020

The Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Currently the laws are as follows –

- **Industrial Disputes Act, 1947**

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. The ID Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having twenty or more workers.

- **Trade Unions Act, 1926**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

- **Industrial Employment (Standing Orders) Act, 1946 (the "Standing Orders")**

The Standing Orders were passed by the Central Government to bring uniformity in the terms of employment in industrial establishments so as to minimalize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within an industrial employment. The highlights of the Standing Orders such as classification of workmen, manner of intimation to workers about work and wage related details. Attendance and conditions for leaves, conditions of termination of employment and means of redressal for workmen in different matters.

Code on Social Security, 2020

The Government of India enacted 'The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations including the Employee's Compensation Act,1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The laws that the code shall subsume, are currently as follows:-

- **Employee's Compensation Act, 1923**

The Employees' Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employees' Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employees' Act also lays down the duties / obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death / serious bodily injury.

- **Employee's State Insurance Act, 1948**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make

contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

- **Employee's Provident Fund and Miscellaneous Provisions Act, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

- **Maternity Benefit Act, 1961**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

- **Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

The Public Liability Insurance Act, 1991 and the Public Liability Insurance Rules, 1991

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 6C of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees Pension Scheme, 1995 (the "EP Scheme")

Family pension in relation to this EP Scheme means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this EP Scheme. Every employee who is member of EPF or PF has an option of the joining the EP Scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the all the employees who are members of the fund.

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Act")

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the Act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Child Labour (Prohibition and Regulation) Act, 1986 (the "CLPR Act")

The "CLPR Act seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

TAX RELATED LEGISLATIONS

Income Tax Act, 1961 ("IT Act")

The IT Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its residential status and type of income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such company is also required to file its returns by September 30 of each assessment year.

Central Goods and Services Tax Act, 2017 (the "CGST Act")

The CGST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The CGST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. CGST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and / or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e., taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an IEC (Importer Exporter Code).

INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- The Designs Act, 2000
- The Patent Act, 1970

The acts applicable to our Company will be:

Trade Marks Act, 1999 ("TM Act")

The TM Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act 1881, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Consumer Protection Act 2019, Indian Contract Act, 1872, Transfer of Property Act, 1882, Information Technology Act, 2000, amongst others.

OTHER LAWS:

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The Department of Industrial Policy and Promotion **("DIPP")**, Ministry of Commerce and Industry, Government of India**,** has issued consolidated FDI Policy Circular of 2017**("FDI Policy 2017")**, which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular. The Reserve Bank of India **("RBI")** also issued Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the master directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

Foreign Exchange Management Act, 1999 & Rules thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries / departments.

The FEMA Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The total holding by each FPI or an investor group, shall be less than 10 percent of the total paid-up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not exceed 24 per cent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 ("COFEPOSA")

COFEPOSA came into force for the reason to provide preventive detention and to protect and augment the guidelines of foreign exchange. The Act also aims to control smuggling activities and other issues in relation to these activities. COFEPOSA confers power on the Central and the State Governments tissue orders for detaining a person if it is satisfied that the person has acted detrimental to the protection and intensification of foreign exchange. The Government shall also issue order of detention on the ground that the person has engaged in the activity of smuggling goods, assists any person in smuggling goods, transports or conceals such goods, harbouring any person employed in the smuggling activities or does any other activity related with smuggling. Such an order shall be issued by the Joint Secretary to the Central Government or Secretary to the State Government or any senior officer authorized by the Government.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

BRIEF HISTORY AND CORPORATE PROFILE

Our Company was originally incorporated on November 15, 2000 as a Private Limited Company in the name of "Zenith Drugs Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh, Gwalior. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on September 05, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to 'Zenith Drugs Limited' and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 13, 2023 by the Registrar of Companies, Gwalior.

The Corporate Identification Number of our Company is U24231MP2000PLC014465.

As on date of this Red Herring Prospectus, our Company has Seven (7) shareholders.

Our Company is promoted by:

1) Mr. Sandeep Bhardwaj

2) Mr. Bhupesh Soni

3) Mr. Ajay Singh Dassundi

For information on our Company's business profile, activities, services, managerial competence, and customers, see chapters titled, "***Our Business***", "***Financial Statements as Restated***", and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page 101, 179 and 180 respectively of this Red Herring Prospectus.

ADDRESS OF REGISTERED OFFICE

Our company's registered office situated at K. No. 72 / 5, Village Muradpura NA Depalpur Indore - 453001, Madhya Pradesh, India.

For Details on other locations of our Company, please see chapters titled, "***Our Business***" beginning on page 101.

CHANGES IN OUR REGISTERED OFFICE

At present our Registered Office is located at K. No. 72 / 5, Village Muradpura NA Depalpur Indore -453001, Madhya Pradesh, India.

Prior to this, following changes were made in the location of our Registered Office:

From	To	With effect from	Reason for change
351, Nemawar Road, Mangal Shri Gas Godown Compound, Near Kumudini Petrol Pump, Indore		November 15, 2000 Upon Incorporation	
351, Nemwar Road, Mangalshri Gas Godown Compound, Indore, Madhya Pradesh.	35A, 36, Industrial Area, Rao Ext., Dist. Indore-452332, Madhya Pradesh, India	August 18, 2005	To increase Operational Efficiency
35A, 36, Industrial Area, Rao Ext., Dist. Indore-452332, Madhya Pradesh, India	K. No. 72 / 5, Village Muradpura NA Depalpur Indore -453001, Madhya Pradesh, India	January 30, 2019	To increase Operational Efficiency

MAJOR EVENTS AND MILESTONES

The table below sets forth some of the key events in the history of our Company:

Year	Particulars
2000	Incorporation of the Company.
2001	Started as a manufacturing house for oral and external formulations.
2004	Shifted to a Schedule M GMP compliant unit.

2004	Started the production of two lines which are liquid orals and ointments.
2007	Started manufacturing ORS Powder
2016	Received WHO GMP certification
2019	Turnover crossed 50 Crores.
2020	Turnover crossed 75 Crores.
2021	Certificate of Quality Management System ISO 9001:2015 issued by Global Grading Certification
2021	Certificate of compliance with good manufacturing practices issued by Liberia Medicines and Health Products Regulatory Authority
2021	Our Company received subsidy under Madhya Pradesh MSME Yojna i.e. MSME Promotion Scheme, 2019 as Industrial Development Grant upto 40% of the capital invested in machinery i.e. grant of ₹ 170.04 Lakhs
2022	The Company was recognized as among top 10 MSME Pharmaceutical Manufacturers in Indore in Industry Outlook Magazine Edition.
2023	Turnover crossed 100 Crores.
2023	Collaborated with Mr. Kshatriya Valtaprasad Nandkishore for Carrying out the task of Marketing and Export of the products manufactured by Zenith.
2023	Conversion of our Company from Private Limited Company to Public Limited Company.

MAIN OBJECTS OF OUR COMPANY

The object clause of the Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised in the present Issue.

Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The main objects of our Company are:

To carry on the business as manufacturers, producers, processors, makers, inventors, convertors, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists agents, subagents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in pharmaceuticals, drugs enzymes and sanitary napkins and all classes of chemicals used for manufacture of the aforesaid and all other kinds of chemicals and their byproducts intermediates, derivatives, formulations and compounds.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY

The following changes have been made in the Memorandum of Association of our Company since incorporation:

Date of Meeting	Meeting	Nature of Amendment
May 27, 2004	NA	**Increase in Authorised Capital:** Increase in Authorised Share Capital from ₹ 2.00 Lakh to ₹ 11.00 Lakh.
February 26, 2006	EGM	**Increase in Authorised Capital:** Increase in Authorised Share Capital from ₹ 11.00 Lakh to ₹ 20.00 Lakh.
May 20, 2015	EGM	**Increase in Authorised Capital:** Increase in Authorised Share Capital from ₹ 20.00 Lakh to ₹ 40.00 Lakh.
March 30, 2019	EGM	**Increase in Authorised Capital:** Increase in Authorised Share Capital from ₹ 40.00 Lakh to ₹ 240.00 Lakh.
December 30, 2022	EGM	**Adoption of New Set of Memorandum of Association as per Companies Act, 2013:** New set of Memorandum of Association of the Company adopted as per the provisions of Companies Act, 2013
August 21, 2023	EGM	**Increase in Authorised Capital:** Increase in Authorised Share Capital from ₹240.00 Lakh to ₹ 2,240.00 Lakh.

September 05, 2023	EGM	**Alteration of Name Clause:** Alteration of name clause by way of conversion of company from Private Limited to Public Limited i.e., Change of name from "Zenith Drugs Private Limited" to "Zenith Drugs Limited".

DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATIONS OR REVALUATION OF ASSETS

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

DETAILS REGARDING HOLDING / SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURE

Except as mentioned below, as on date of filing of this Red Herring Prospectus, our Company does not have any Holding or Associate Company or Joint Venture or a Subsidiary company:

MY MED PRIVATE LIMITED

(a) **Brief History:** The company was incorporated in the name and style of My Med Private Limited vide registration number 055161 on March 03, 2021. The company has its registered office at Shop No. L.G.1 Om Gurudev Complex Scheme No. 54, Indore- 452001, Madhya Pradesh, India.

(b) **Business activities to be carried:** To manufacture, formulate, process, develop, refine, import, export, wholesale and / or retail trade all kinds of pharmaceuticals, antibiotics, drugs, medicines, biological, neutraceuticals, healthcare, ayurvedic, herbal, natural and dietary supplement products, medicinal preparations, vaccines, chemicals, chemical products, dry salters, mineral waters, wines, cordials, liquors, soups, broths and other restoratives or foods and also to deal in medicinal goods such as surgical instruments, contraceptives, photographic goods, oils, perfumes, cosmetics, patent medicines, soaps, artificial limbs, hospital requisites, proprietary medicines, veterinary medicines and tinctures extracts and to carry on the business of vialling, bottling, repacking, processing of tablets, capsules, syrups, injections, ointments, etc. and also to carry on the business of chemists, druggists, buyers, sellers, agents, distributors and stockiest of all kinds of pharmaceuticals and allied products.

(c) **Capital Structure:** Authorised Capital ₹ 15,00,000.00 and Paid-up capital ₹ 5,00,000.00

(d) **Shareholders of the Company**

Sr. No.	Name of Shareholder	No of Shares held	% of Equity Shares
1	Mr. Ajay Singh Dassundi	10,000	20.00
2	Mr. Anshul Chouhan	14,500	29.00
3	Zenith Drugs Limited	25,500	51.00
	Total	**50,000**	**100.00**

(e) There is no amount of accumulated profits or losses of the subsidiary(ies) not accounted for by the issuer.

CAPACITY / FACILITY CREATION, LOCATION OF PLANTS

For information on our Company's business profile, Capacity and location of Plant, see chapters titled, ***"Our Business".***

GUARANTEES PROVIDED BY OUR PROMOTER

As on the date of this Red Herring Prospectus, no guarantee has been issued by Promoters except as disclosed in the ***"Statement of Financial Indebtedness"*** on page 195 of this Red Herring Prospectus.

CAPITAL RAISING (DEBT / EQUITY):

For details in relation to our capital raising activities through equity, please refer to the chapter titled "***Capital Structure***" beginning on page 63 of the Red Herring Prospectus. For details of our Company's debt facilities, see "***Statement of Financial Indebtedness***" on page 195 of the Red Herring Prospectus.

CHANGES IN THE ACTIVITIES OF OUR COMPANY SINCE INCORPORATION

There have been no changes in the activities of our Company since incorporation which may have had a material effect

on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

CHANGES IN THE MANAGEMENT

For details of change in Management, please see chapter titled "***Our Management***" on page 149 of the Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS FROM FINANCIAL INSTITUTIONS / BANKS

There have been no defaults or rescheduling / restructuring of borrowings with financial institutions / banks in respect of borrowings of our Company.

INJUNCTION OR RESTRAINING ORDER

Except as disclosed in the section titled "***Outstanding Litigation and Material Developments***" beginning on page 206 of this Red Herring Prospectus, there are no injunctions / restraining orders that have been passed against the Company.

LOCK OUTS AND STRIKES

There have been no lock outs or strikes at any of the units of our Company.

TIME AND COST OVER RUNS

Our Company has not implemented any projects and has therefore, not experienced any time or cost overrun in setting up of projects.

SHAREHOLDERS' AGREEMENTS

As on the date of this Red Herring Prospectus, our Company has not entered into any Shareholders' Agreements.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT A DIRECTOR OR PROMOTER OR ANY OTHER EMPLOYEE OF THE COMPANY

Except as mentioned in Chapter titled '***Our Management***' beginning on page 149 of this Red Herring Prospectus, there are no agreements entered into by key managerial personnel or senior management or a Director or Promoter or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

MATERIAL AGREEMENTS

As on the date of this Red Herring Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled '***Our Business***' beginning on page 111 of this Red Herring Prospectus.

Other Agreements:

i. **Non-Compete Agreement:** Our Company has not entered into any Non-compete Agreement as on the date of filing of this Red Herring Prospectus.

ii. **Joint Venture Agreement:** Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Red Herring Prospectus.

STRATEGIC PARTNERS

As of the date of this Red Herring Prospectus, our Company does not have any Strategic Partners.

FINANCIAL PARTNERS

As on the date of this Red Herring Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

OUR MANAGEMENT

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Red Herring Prospectus, our Company has 6 (Six) Directors on the Board, 1 (One) as Managing Director, 2 (Two) as Executive Director, 1 (One) as Non-Executive Directors and 2 (Two) as Independent Directors.

Set forth below are details regarding the Board of Directors as on the date of this Red Herring Prospectus:

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
Mr. Sandeep Bhardwaj **DOB:** July 11, 1978 **Age:** 45 Years **Qualification:** Bachelor of Pharmacy **Designation:** Managing Director **Address:** 1625, Scheme no. 114, Part-1, Vijay Nagar, NA, Indore-452010 Madhya Pradesh, India **Occupation:** Business **Nationality:** Indian **DIN:** 00539347 **Term:** Re-appointed as Managing Director of the Company for a period of 5 years w.e.f. September 16, 2023 up to September 15, 2028.	Appointed as Director w.e.f. October 31, 2003. Re-appointed as Managing Director of the Company for a period of 5 years w.e.f. September 16, 2023 up to September 15, 2028.	**Companies** • My Med Private Limited **Limited Liability Partnerships** Nil
Mr. Bhupesh Soni **DOB:** October 05, 1978 **Age:** 44 Years **Qualification:** Bachelor of Pharmacy **Designation:** Executive Director **Address:** 2900, Sector E Sudama Nagar, Indore- 452009 Madhya Pradesh, India **Occupation:** Business **Nationality:** Indian **DIN:** 00539355 **Term:** Liable to retire by rotation	Appointed as Director w.e.f. March 15, 2001.	**Companies** • My Med Private Limited • Premier Gravure Private Limited **Limited Liability Partnerships** Nil
Mr. Ajay Singh Dassundi **DOB:** August 24, 1979	Appointed as Executive Director of the Company w.e.f. October 31 2003.	**Companies** • My Med Private Limited

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
Age: 44 Years **Qualification:** Bachelor of Pharmacy **Designation:** Executive Director **Address:** 1437- scheme no. 114, part 1, Indore- 452010 Madhya Pradesh, India **Occupation:** Business **Nationality:** Indian **DIN:** 00835856 **Term:** Liable to retire by rotation	Cessation from Directorship w.e.f. March 30, 2012. Re-appointed as Executive Director of the Company w.e.f. June 25, 2015.	**Limited Liability Partnerships** Nil
Mr. Anil Malik **DOB:** August 31, 1956 **Age:** 67 Years **Qualification:** Masters in Social Work, Bachelor in Law, Diploma in Human Resource Development. **Designation:** Non- Executive Director **Address:** 30, Royal Bungalow City, MR-10 Road, Indore 452001, Madhya Pradesh, India **Occupation:** Business **Nationality:** Indian **DIN:** 07192307 **Term:** Liable to retire by rotation	Appointed as Non- Executive Director of the Company w.e.f. September 25, 2023	**Companies** Nil **Limited Liability Partnerships** Nil

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
Ms. Ranjana Sureshkumar Sehgal **DOB:** August 27, 1958 **Age:** 65 years **Qualification:** Doctor of Philosophy in Social Work & Master of Arts in Social Work. **Designation:** Independent Director **Address:** F 803, Rose Ocean Park, Near DPS School, Nipaniya, Indore 452016, Madhya Pradesh, India **Occupation:** Business **Nationality:** Indian **DIN:** 01979256 **Term:** Appointed as Independent Director of the Company w.e.f. September 16, 2023 for a term of five consecutive years.	Appointed as Independent Director of the Company w.e.f. September 16, 2023 for a term of five consecutive years.	**Companies** Nil **Limited Liability Partnerships** Nil
Mr. Deendayal Kumawat **DOB:** December 11, 1986 **Age:** 36 years **Qualification:** Chartered Accountant **Designation:** Independent Director **Address:** 20, Chankyapuri, Sikar Road, Near Mehta Hospital, Machera, Harmada, Jaipur- 302013 Rajasthan, India **Occupation:** Professional **Nationality:** Indian **DIN:** 10332223 **Term:** Appointed as Independent Director of the September 25, 2023 for a term of five consecutive years.	Appointed as Independent Director of the Company w.e.f. September 25, 2023 for a term of five consecutive years.	**Companies** Fair Food Overseas Limited **Limited Liability Partnerships** Nil

Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel, Senior Managerial Personnel or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which of the directors was selected as a director or member of senior management.

BRIEF PROFILE OF OUR DIRECTORS

Mr. Sandeep Bhardwaj, aged 45 years, is the Promoter and Managing Director of our Company. He was appointed as Director w.e.f. October 31, 2003. Further, he was appointed as Managing Director of the Company w.e.f. September 16, 2023 for a period of 5 years. He has completed his degree of Bachelor in Pharmacy from Shri G. S. Institute of Technology and Science, Indore in the year 2000. He has more than 19 years of experience. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He leads and oversees all aspect of pharmaceutical operations including manufacturing, quality control, supply chain, regulatory compliance. He developed and implement plans to increase production capacity while maintaining its product quality. He primarily looks after the overall business operations of the Company.

Mr. Bhupesh Soni, aged 44 years, is the Promoter and Executive Director of the Company. He was appointed as Executive Director w.e.f. March 15, 2001. He has completed his degree of Bachelor in Pharmacy from Shri G. S. Institute of Technology and Science, Indore in the year 2003. He is a dynamic and result oriented professional with a 23 years' experience in the Pharmaceutical Industry with a leadership role as a Director. He has fostered strong relationship with suppliers and assists them in improving their performance to meet quality and compliance standards. He leads the market research and competitive analysis to identify market trends and opportunities. He implemented the projects of 'Zenith Manufacturing Unit – I, Capsule Block Addition and commissioned the project of Premier Products.

Mr. Ajay Singh Dassundi, aged 44 Years, is the Promoter and Executive Director of the Company. He was Appointed as Executive Director of the Company w.e.f. October 31 2003 and further re-appointed as Executive Director of the Company w.e.f. June 25, 2015. He has completed his Bachelors of Pharmacy from the Shri G. S. Institute of Technology and Science, Indore in the year 2000. He is dynamic and result driven sales and marketing professional with 23 years of experience in the Pharmaceutical Industry starting his career as medical representative with a Multinational Company and later established his own company i.e. Zenith Drugs Limited. Over the period of time, he has developed key relations with health care professionals, dealers, distributors and other stakeholders of the industry. His business skills and PR expertise has always been beneficial for the company and his vision has guided the company to achieve the business objectives.

Mr. Anil Malik, aged 67 years, is the Non- Executive Director of the Company. He is appointed as Non- Executive Director of the Company w.e.f. September 25, 2023. He has completed his Masters of Social Work from University of Indore, Bachelor in Law from P.M.B. Gujarati Arts & Law College in the year 1985, Diploma in Human Resource Development from All India Institute of Management Studies in the year 1999. He has over 43 years of rich experience in Employee Relations & Human Resource Management in varied industries. He has an extensive experience in negotiations, wage agreements linked with productivity & performance, policy formulation and HR activities and practices.

Ms. Ranjana Sureshkumar Sehgal, aged 65 years, is the Independent Director of the Company w.e.f September 16, 2023 for a term of five consecutive years. She has completed her Doctor of Philosophy in Social Work in the year 1992 & Master of Arts in Social Work in the year 1979. She has 42 years of experience (Since 1980) as an Academic Social Work professional and Mentor in teaching, research, curriculum designing and corporate training in social development, criminal justice, advocacy, gender sensitization, woman empowerment, Communication, HRM, IR, CSR, OB, among others. She is sincere, hardworking and committed to the work. Under her work values and ethics Company will witness exemplary growth.

Mr. Deendayal Kumawat, aged 36 years, is the Independent Director of the Company w.e.f September 25, 2023 for a term of five consecutive years. He is a Chartered Accountant who holds certificate of membership since August 31, 2011 & an Associate Company Secretary since July 01, 2021. He also holds degree in Bachelors of Commerce and Diploma in Information System Audit. He has served as Chief Manager for a period of 8 years in Canara Bank. He is a Practicing Chartered Accountant and holds his Certificate of Practice since 2019. His expertise is Auditing, Taxation, Accounting, Financial Consultancy, Project Financing, Compliance under Corporate Laws, Stock Audit & revenue Audit etc. He brings to the Company his experience in finance.

CONFIRMATIONS

a) None of the Directors and Key Managerial Personnel of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

b) There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or Member of Senior Management.

c) There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.

d) As on the date of this Red Herring Prospectus, none of our directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.

e) As on the date of this Red Herring Prospectus, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

f) As on the date of this Red Herring Prospectus, none of our director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.

g) As on the date of this Red Herring Prospectus, none of our director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.

h) As on the date of this Red Herring Prospectus, none of the Promoter, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

i) No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

REMUNERATION / COMPENSATION TO OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force). Set forth below is the remuneration payable by our Company to our Directors for upcoming financial years:

(₹ in Lakh)

Sr. No.	Name of Director	Remuneration shall not exceed
1.	Mr. Sandeep Bhardwaj	50.00
2.	Mr. Bhupesh Soni	50.00
3.	Mr. Ajay Singh Dassundi	50.00
	Total	**150.00**

Remuneration paid for F.Y. 2022-23, the directors have been paid gross remuneration as follows:

(₹ in Lakh)

Sr. No.	Name of Director	Remuneration paid
1.	Mr. Sandeep Bhardwaj	48.00
2.	Mr. Bhupesh Soni	36.00
3.	Mr. Ajay Singh Dassundi	3.06
	Total	**87.06**

TERMS AND CONDITIONS OF EMPLOYMENT OF OUR DIRECTORS

Mr. Sandeep Bhardwaj

Mr. Sandeep Bhardwaj, is the Promoter and Managing Director of our Company. He is the Director of the Company since October 31, 2003. He was later Re-appointed as Managing Director of the Company for a w.e.f. September 16, 2023 for a period of 5 years. The significant terms of his employment are as below:

Remuneration	Upto ₹ 50.00 Lakh per annum
Bonus and Profit-sharing Ratio	Not Applicable
Term	Appointed as Managing Director for a period of 5 (five) years commencing from September 16, 2023.
Remuneration in the event of loss or inadequacy of profits	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

Mr. Bhupesh Soni

Mr. Bhupesh Soni, is the Executive Director of the Company. He was appointed as Director w.e.f. March 15, 2001. The significant terms of his employment are as below:

Remuneration	Upto ₹ 50.00 Lakh per annum
Bonus and Profit-sharing Ratio	Not Applicable
Term	Appointed as Director w.e.f. March 15, 2001.
Remuneration in the event of loss or inadequacy of profits	In the event of inadequacy or absence of profits in any financial years during her tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

Mr. Ajay Singh Dassundi

Mr. Ajay Singh Dassundi, is the Executive Director of the Company. He was appointed as Executive Director of the Company w.e.f. October 31 2003. Further He was re-appointed as Executive Director of the Company w.e.f. June 25, 2015. The significant terms of his employment are as below:

Remuneration	Upto ₹ 50.00 Lakh per annum
Bonus and Profit-sharing Ratio	Not Applicable
Term	Appointed as Director w.e.f. June 25, 2015.
Remuneration in the event of loss or inadequacy of profits	In the event of inadequacy or absence of profits in any financial years during her tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

SITTING FEES

The payment of sitting fees to the Non-Executive Director and Independent Directors of the Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in following manner:

Sr. No.	Name of Director	Fees for attending the meeting of	
		Board of Directors	Committee Meetings
1.	Mr. Deendayal Kumawat	₹ 5,000.00 per Meeting	₹ 5,000.00 per Meeting
2.	Mr. Anil Malik	₹ 5,000.00 per Meeting	₹ 5,000.00 per Meeting
3.	Ms. Ranjana Sureshkumar Sehgal	₹ 5,000.00 per Meeting	₹ 5,000.00 per Meeting

PAYMENT OF BENEFITS

Except to the extent of remuneration payable to the Managing Director & Executive Director for services rendered to our Company and to the extent of fees payable to the Non-Executive Director for the professional services provided by him and to the extent of other reimbursement of expenses payable to them as per their terms of appointment, our Company has not paid in the last 2 (two) years preceding the date of this Red Herring Prospectus, and does not intend to pay, any amount or benefits to our directors.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except as stated otherwise in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, since the incorporation, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made regularly by our Company towards provident fund, gratuity fund and employee state insurance.

REMUNERATION PAID TO OUR DIRECTORS BY OUR SUBSIDIARY

As on date of this Red Herring Prospectus, our Company have a subsidiary i.e. My Med Private Limited. However, no remuneration is paid to our directors by our subsidiary.

BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

None of our Directors are a party to any bonus or profit-sharing plan.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Our Articles of Association do not require our Directors to hold qualification shares.

As on date of this Red Herring Prospectus, our Directors hold the following number of Equity Shares of our Company:

Sr. No.	Name of Directors	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1	Mr. Sandeep Bhardwaj	36,66,990	30.56
2	Mr. Bhupesh Soni	34,60,980	28.84
3	Mr. Ajay Singh Dassundi	38,61,990	32.18
4	Mr. Anil Malik	Nil	Nil
5	Mr. Deendayal Kumawat	Nil	Nil
6	Ms. Ranjana Sureshkumar Sehgal	Nil	Nil
	Total	**1,09,89,960**	**91.58**

SHAREHOLDING OF DIRECTORS IN OUR SUBSIDIARY

As on date of this Red Herring Prospectus, our Company have a subsidiary i.e. My Med Private Limited. Shareholding of directors in our subsidiary is as mentioned below:

Sr. No.	Name of Directors	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1	Mr. Sandeep Bhardwaj	Nil	Nil
2	Mr. Bhupesh Soni	Nil	Nil
3	Mr. Ajay Singh Dassundi	10,000	20.00
4	Mr. Anil Malik	Nil	Nil
5	Mr. Deendayal Kumawat	Nil	Nil
6	Ms. Ranjana Sureshkumar Sehgal	Nil	Nil
	Total	**10,000**	**20.00**

INTEREST OF OUR DIRECTORS

Our Managing Director & Executive Directors may be interested to the extent of remuneration paid to them, respectively for services rendered as a Directors of our Company and reimbursement of expenses payable to them. Our Non-Executive Director may be interested to the extent of payment made to him for the professional services rendered to the company. For details, please refer "Terms and conditions of employment of our Managing Director and Executive Directors" above. Further, all our Non-Executive and Independent Directors may be interested to the extent of fees payable to them and / or the commission payable to them for attending meetings of the Board of Directors or a committee thereof. The Independent Directors are paid sitting fees for attending the meetings of the Board and Committees of the Board and may be regarded as interested to the extent of such sitting fees and reimbursement of other expenses payable to them as per their terms of appointment.

Three of our Directors Mr. Sandeep Bhardwaj, Mr. Bhupesh Soni and Mr. Ajay Singh Dassundi, may be deemed to be interested in the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them if any.

Interest in promotion of our Company

Except Mr. Sandeep Bhardwaj, Mr. Bhupesh Soni and Mr. Ajay Singh Dassundi none of our Directors have any interest in the promotion or formation of our Company as of the date of this Red Herring Prospectus.

Interest in the property of our Company

Except as stated in the chapter titled ***"Related Party Transaction"*** beginning on page 179 of Red Herring Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 2 (two) years preceding the date of this Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our

directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled ***"Our Properties"*** under the chapter titled ***"Our Business"*** beginning on page 101 of this Red Herring Prospectus.

Interest as Creditor of our Company

As on the date of this Red Herring Prospectus, except as stated in the chapter titled ***"Statement of Financial Indebtedness"*** and heading titled ***"Related Party Transactions"*** under chapter titled ***"Financial Statements as Restated",*** our Company has not availed loans from Directors of our Company.

Interest in the business of Our Company

Further, save and except as stated otherwise in ***"Statement of Related Parties' Transactions"*** in the chapter titled ***"Financial Statements as Restated"*** of this Red Herring Prospectus, our directors do not have any other interests in our Company as on the date of this Red Herring Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Interest in transactions involving acquisition of land

Our directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated / referred to under the heading titled ***"Our Properties"*** under chapter titled ***"Our Business"*** beginning on page 101 of this Red Herring Prospectus, our directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Interest as Member of a Company or Firm

Except as stated in this chapter the section titled ***"Related Party Transactions"*** and the chapter ***"Our Business"*** beginning on page 179 and 101 of this Red Herring Prospectus respectively, our Directors do not have any other interest in our business

Other Interests

Except as stated above, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

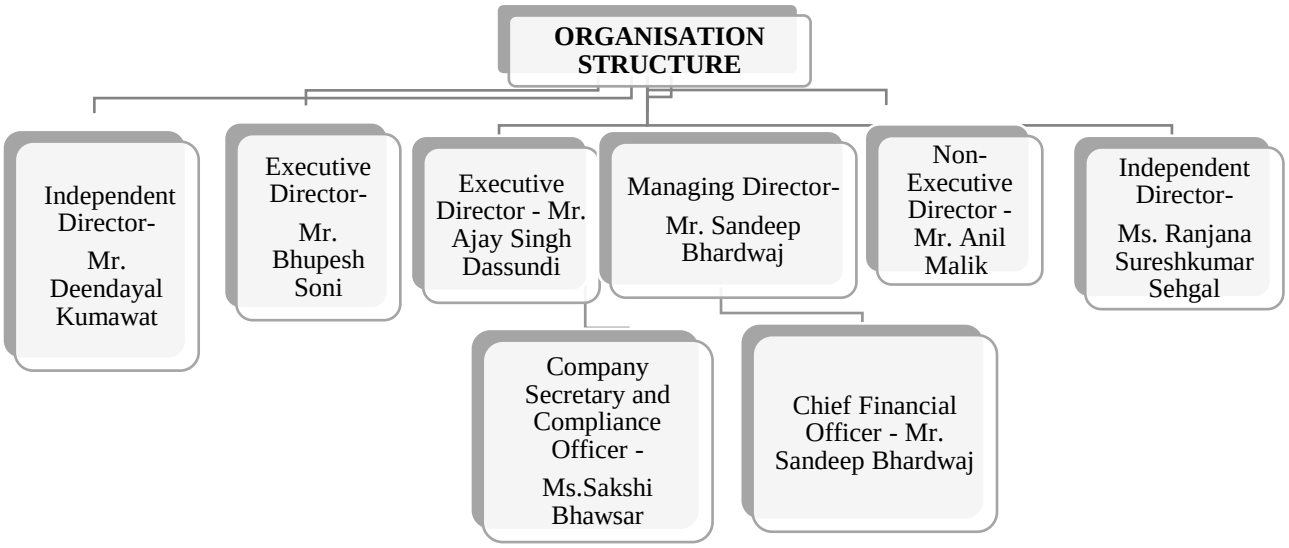
Further, our directors may be directors on the board, or are members, or are partners, or are trustees of certain Group Entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to such Group Entities. For the payments that are made by our Company to certain Group Entities, please refer chapters titled ***"Financial Statements as Restated"*** and ***"Related Party Transactions"*** beginning on page 179 and 178 of this Red Herring Prospectus.

CHANGES IN OUR BOARD DURING THE LAST THREE YEARS

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

Sr. No.	Directors	Date of Event	Event	Reason
1.	Mr. Sandeep Bhardwaj	September 16, 2023	Appointed as Managing Director	N.A.
2.	Ms. Ranjana Sureshkumar Sehgal	September 16, 2023	Appointed as Independent Director	N.A.
3.	Mr. Poonam Chand Sharma	September 16, 2023	Resignation from Directorship	Due to Pre-occupancy
4.	Mr. Anil Malik	September 25, 2023	Appointed as Non-Executive Director	N.A.
5.	Mr. Deendayal Kumawat	September 25, 2023	Appointed as Independent Director	N.A.

ORGANISATION STRUCTURE



BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on September 16, 2023 our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹ 20,000 Lakhs over and above the aggregate of the paid up share capital and free reserves which may have not been set apart for any purpose.

APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT

Except as disclosed in this Red Herring Prospectus, none of the relatives of our directors currently hold any office or place of profit in our Company.

POLICIES ADOPTED BY OUR COMPANY

Our Company has adopted the following policies:

a) Policy on Code of Conduct for Directors and Senior Management

b) Policy of Audit Committee

c) Policy of Nomination and Remuneration Committee

d) Policy of Stakeholder Relationship Committee

e) Policy of Internal Complaint Committee

f) Policy on Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information

g) Policy on Disclosure and Internal Procedure for Prevention of Insider Trading

h) Policy on Whistle Blower and Vigil Mechanism

i) Policy on Related Party Transactions (RPT)

j) Policy for Preservation of Documents and Archival of Documents

k) Policy for Prevention of Sexual Harassment

l) Policy on Materiality for Disclosures of events to Stock Exchanges

m) Policy on Code of Independent Directors and Familiarization of Independent Director

n) Policy for identification of Materiality of outstanding Litigations involving Company, its subsidiary, Directors, Promoter and other Group Companies

o) Policy on Material Outstanding due to the Creditors

p) Policy on Corporate Social Responsibility

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, provisions of the SEBI (LODR) Regulation, 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof.

The Corporate Governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Red Herring Prospectus, there are 6 (Six) Directors on our Board out of which one third are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013.

COMMITTEES OF OUR BOARD

The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:

a) Audit Committee

b) Stakeholders' Relationship Committee

c) Nomination and Remuneration Committee

d) Corporate Social Responsibility Committee

e) Internal Complaints Committee

Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on September 26, 2023.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises the following 3 (Three) directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Deendayal Kumawat	Chairman	Independent Director
2	Ranjana Sureshkumar Sehgal	Member	Independent Director
3	Sandeep Bhardwaj	Member	Managing Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the SEBI (LODR) Regulation, 2015.

Meetings of Audit Committee and Quorum

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

a) To investigate any activity within its terms of reference;

b) To seek information from any employee;

c) To obtain outside legal or other professional advice; and

d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the Audit Committee shall include the following:

a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditor of the Company;

c) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

d) Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013, as amended;

   ii. Changes, if any, in accounting policies and practices and reasons for the same;

   iii. Major accounting entries involving estimates based on the exercise of judgment by the management;

   iv. Significant adjustments made in the financial statements arising out of audit findings;

   v. Compliance with SEBI Listing Regulations and other legal requirements relating to financial statements;

   vi. Disclosure of any related party transactions; and

   vii. Qualifications / modified opinion(s) in the draft audit report.

f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;

g) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

h) Approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;

i) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

j) Scrutinizing of inter-corporate loans and investments;

k) Valuing of undertakings or assets of the Company, wherever it is necessary;

l) Evaluating of internal financial controls and risk management systems;

m) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

p) Discussing with internal auditors of any significant findings and follow up there on;

q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

r) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

t) Reviewing the functioning of the whistle blower mechanism;

u) Approving the appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and

v) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.

Further, the Audit Committee shall mandatorily review the following information:

a) management discussion and analysis of financial condition and results of operations;

b) statement of significant related party transactions (as defined by the audit committee), submitted by management;

c) management letters / letters of internal control weaknesses issued by the statutory auditors;

d) internal audit reports relating to internal control weaknesses; and

e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

f) statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

Stakeholders' Relationship Committee

Our Company has constituted a shareholder / investors grievance committee "Stakeholders' Relationship Committee" to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on September 26, 2023.

The Stakeholders' Relationship Committee comprises:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Deendayal Kumawat	Chairman	Independent Director
2	Ranjana Sureshkumar Sehgal	Member	Independent Director
3	Bhupesh Soni	Member	Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

Tenure

The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

Meetings

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

Role of the Stakeholders' Relationship Committee

The Committee shall consider and resolve grievances of security holders, including but not limited to:

a) Efficient transfer of shares including review of cases for refusal of transfer / transmission of shares and debentures;

b) Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate / split / consolidated share certificates;

c) Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer / transmission of shares and debentures;

d) Allotment and listing of shares in future;

e) Review of cases for refusal of transfer / transmission of shares and debentures;

f) Reference to statutory and regulatory authorities regarding investor grievances;

g) Ensure proper and timely attendance and redressal of investor queries and grievances; and

h) To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on September 26, 2023.

The Nomination and Remuneration Committee comprises the following Directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Ranjana Sureshkumar Sehgal	Chairman	Independent Director
2	Deendayal Kumawat	Member	Independent Director
3	Anil Malik	Member	Non-Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

Tenure

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

Meetings

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including atleast one independent director in attendance.

Role of the Nomination and Remuneration Committee not limited to but includes:

a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b) Formulating of criteria for evaluation of performance of independent Directors and the Board;

c) Devising a policy on Board diversity;

d) Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;

e) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

f) Analyzing, monitoring and reviewing various human resource and compensation matters;

g) Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

h) Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), usually consisting of a fixed and variable component;

i) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

j) Performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits) Regulations, 2014;

k) Framing suitable policies, procedures and systems to ensure that there is no violation, by and employee id any applicable laws in India or Overseas, including:

   i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

   ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable."

l) Performing such other activities as may be delegated by the Board of Directors and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee shall formulate and recommend a CSR policy to the Board, the Company has constituted a Corporate Social Responsibility Committee pursuant to resolution of the Board of Directors dated September 26, 2023. The Corporate Social Responsibility Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company, monitor the CSR policy of the Company from time to time and establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company as per the requirements of the Companies Act, 2013, Listing Agreement and SEBI LODR for Corporate Governance.

The Corporate Social Responsibility Committee comprises the following members:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Deendayal Kumawat	Chairman	Independent Director
2	Anil Malik	Member	Non-Executive Director
3	Sandeep Bhardwaj	Member	Managing Director

Role of the Corporate Social Responsibility Committee not limited to but includes:

We further confirm that atleast one Director is an Independent Director.

Company Secretary & Compliance Officer of our Company shall act as the secretary to the Corporate Social Responsibility Committee.

Measures

In the aforesaid backdrop, policy on CSR of Zenith Drugs Limited is broadly framed taking into account the following measures:

The CSR activities shall be undertaken by Zenith Drugs Limited, as stated in this Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of Zenith Drugs Limited employees or their family members shall not be considered as CSR activity.

Zenith Drugs Limited shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board of Zenith Drugs Limited may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

The following is the list of CSR projects or programs which Zenith Drugs Limited plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

a) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;

b) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

c) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

d) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;

e) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts:

f) measures for the benefit of armed forces veterans, war widows and their dependents;

g) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;

h) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

i) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government

j) rural development projects;

Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

Organisational mechanism and responsibilities

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of three or more directors, out of which at least one director shall be an independent director.

The CSR Committee shall –

a) Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;

b) Recommend the amount of expenditure to be incurred on the activities; and

c) Monitor the Policy of the company from time to time.

The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company's website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.

Zenith Drugs Limited provide the vision under the leadership of its Managing Director, Mr. Sandeep Bhardwaj.

At the Company, the Managing Director takes on the role of the mentor, while the onus for the successful and time bound implementation of the CSR activities / projects is on the HR Head and CSR teams.

To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.

Activities, setting measurable targets with timeframes and performance management:

Prior to the commencement of CSR activities / projects, we carry out a baseline study of the nearby area / villages of the Company's Site Locations.

The study encompasses various parameters such as – health indicators, literacy levels, sustainable livelihood processes, and population data – below the poverty line and above the poverty line, state of infrastructure, among others.

From the data generated, a 1-year plan and a 5-year rolling plan are developed for the holistic and integrated development of the affected people.

All activities / projects of CSR are assessed under the agreed strategy, and are monitored every quarter / year, measured against targets and budgets. Wherever necessary, midcourse corrections are made.

Budgets

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be any one Director or the Managing Director / Chief Financial Officer of the Company after due recommendation of CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by CBDT.

Internal Complaints Committee

An Internal Complaints Committee is constituted for our Company by the Board to look into the matters concerning sexual harassment pursuant to resolution of the Board of Directors dated September 26, 2023. The Internal Complaints consists of the following members.

Sr. No.	Name	Status in Committee	Gender
1.	Priyanka Bhardwaj	Presiding officer	Female
2.	Sandeep Bhardwaj	Member	Male
3.	Veena Bharmaya	Member	Female
4.	Sudha Jain	Member	Female

A complainant can approach any member of the committee with her written complaint.

Tenure

The President and other members of the committee shall hold office for such period, not exceeding 3 (three) years, from the date of their nomination as may be specified by the employer.

Scope

This policy is applicable to employees, workers, volunteers, probationer and trainees including those on deputation, part time, contract, working as consultants or otherwise (whether in the office premises or outside while on assignment). This policy shall be considered to be a part of the employment contract or terms of engagement of the persons in the above categories.

Where the alleged incident occurs to our employee by a third party while on a duty outside our premises, the Company shall perform all reasonable and necessary steps to support our employee.

What Constitutes Sexual Harassment?

Sexual Harassment means such unwelcome sexually determined behaviour (directly or through implication), like physical contact and advances by the employee(s) including:

a) A demand or request for sexual favours, sexually coloured remarks, showing pornography, any other unwelcome physical conduct of sexual nature, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs;

b) Eve teasing, innuendos and taunts, physical confinement against one's will;

c) A demand or request for sexual favours, whether verbally or non-verbally, where the submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or promotion / evaluation of work thereby denying an individual equal opportunity at employment;

d) An act or conduct by a person in authority which makes the environment at workplace hostile or intimidating to a person or unreasonably interferes with the individual's privacy and productivity at work;

e) Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages (Jokes, remarks, letters, phone calls);

f) Any other behaviour which an individual perceives as having sexual overtones.

Redressal Mechanism:

Once the complaint is received by the Committee:

a) The person who is accused by the complainant will be informed that a complaint has been filed against him (he will be made aware of the details of the allegation and also the name of the complainant as it would be necessary for proper inquiry) and no unfair acts of retaliation or unethical action will be tolerated.

b) The complainant has the opportunity to ask for conciliation proceedings by having communication with the accused in the presence of the Committee. Please note that in such conciliation the complainant cannot demand monetary compensation.

c) The Committee shall provide the copies of the settlement as recorded during conciliation to the aggrieved employee and the respondent.

d) If the matter has been settled by conciliation but the respondent is not complying with the terms and conditions, the aggrieved party can approach the Committee for Redressal.

e) The Committee will question both the complainant and the alleged accused separately. If required, the person who has been named as a witness will need to provide the necessary information to assist in resolving the matter satisfactorily.

f) The Committee shall call upon all witnesses mentioned by both the parties.

g) The Committee can ask for specific documents from a person if it feels that they are important for the purpose of investigation.

h) The complainant has the option to seek transfer or leave so that the inquiry process can continue smoothly and to prevent recurrence of similar situations or discomfort to the complainant. The leave can extend for a maximum period of 3 months. Leave granted under this provision will be paid leave and will not be counted in the number of leaves that the complainant is statutorily entitled to. The complainant may be required to work from home, if it is practicable, keeping in mind the nature of work of the complainant, health and mental condition. However, the complainant is under a good faith obligation and shall not abuse the process to request unjustifiably long periods of leave, keeping in mind the economic effects of the leave to the organization. The Committee shall have the discretion to grant leave of an appropriate duration, depending on the facts and circumstances of the case, or grant an alternate measure such as transferring the employee or the accused, as it deems fit.

Where leave is granted to the complainant, the Committee shall make best attempts to ensure speedy completion of the inquiry process and to minimize adverse economic consequences to the Company arising out of the absence of the complainant from the workplace.

i. The complainant and the accused shall be informed of the outcome of the investigation. The investigation shall be completed within 3 months of the receipt of the complaint. If the investigation reveals that the complainant has been sexually harassed as claimed, the accused will be subjected to disciplinary action accordingly.

    a) The report of the investigation shall be supplied to the employer (or the District Officer), the accused and the complainant within 10 days of completion of the investigation.

    b) The employer or the District Officer will act on the recommendations of the Committee within 60 days of the receipt of the report.

ii. The contents of the complaint made, the identity and addresses of the aggrieved employee, respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal

Committee and the action taken by the employer shall not be published, communicated or made known to the public, press and media in any manner

Any party aggrieved by the report can prefer an appeal in the appropriate Court or Tribunal in accordance with the service rules within 90 days of the recommendation been given to the employer / District Officer.

Disciplinary Action:

Where any misconduct is found by the Committee, appropriate disciplinary action shall be taken against the accused. Disciplinary action may include transfer, withholding promotion, suspension or even dismissal. This action shall be in addition to any legal recourse sought by the complainant.

If it is found out through evidence by the Committee that the complainant has maliciously given false complaint against the accused, disciplinary action shall be taken against the complainant as well.

Regardless of the outcome of the complaint made in good faith, the employee lodging the complaint and any person providing information or any witness, will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the complainant or the witness are not victimized or discriminated against by the accused. Any unwarranted pressures, retaliatory or any other type of unethical behaviour by the accused against the complainant while the investigation is in progress should be reported by the complainant to the Complaints Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

This policy shall be disseminated to each employee of the Company as well as new recruits who will have to acknowledge that they have read and understood the policy and that they shall abide by the policy.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations") will be applicable to our Company immediately upon the listing of its Equity Shares on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge"). We shall comply with the requirements of the SEBI (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

OUR KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013:

Sr. No	Name of the KMPs	Designation
1.	Mr. Sandeep Bhardwaj	Managing Director & Chief Financial Officer
2.	Ms. Sakshi Bhawsar	Company Secretary & Compliance Officer

BREIF PROFILE OF KEY MANAGERIAL PERSONNEL:

Mr. Sandeep Bhardwaj –Managing Director & Chief Financial Officer

Mr. Sandeep Bhardwaj is the Managing Director & Chief Financial Officer of our Company. For details, see ***"Brief Profile of our Director",*** see ***"Our Management"*** chapter beginning on page 149 of this Red Herring Prospectus.

Ms. Sakshi Bhawsar – Company Secretary & Compliance Officer

Ms. Sakshi Bhawsar, aged 28 years, is the Company Secretary & Compliance Officer of our Company. She was appointed as the Company Secretary & Compliance Officer of our Company at the meeting of the Board of Directors with effect from September 16, 2023. She has been an associate member of the Institute of Company Secretaries of India since March 05, 2021. She is currently serving as the Company Secretary and Compliance Officer of our Company. Prior to joining our Company, she worked with Geetika Agrawal & Co. as a Company Secretary Associate for a period of three years, where she gained valuable experience in various aspects of corporate secretarial and compliance practices. With her

expertise in company law, regulatory compliance, and corporate governance, she plays a crucial role in ensuring that our Company operates in accordance with legal and regulatory requirements.

Term of Office with expiration Date	Appointed as Company Secretary & Compliance Officer with effect from September 16, 2023
Details of service contract	Not Applicable
Function and areas of experience	Securities law and Compliances

STATUS OF KEY MANAGERIAL PERSONNEL

All our Key Managerial Personnel are permanent employees of our Company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the above-mentioned key managerial personnel are related to each other. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

RELATIONSHIP OF DIRECTORS / PROMOTERS WITH KEY MANAGERIAL PERSONNEL (KMPs)

None of the above-mentioned key managerial personnel are related to our Promoters or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

As on date of this Red Herring Prospectus, except as stated below, our Key Managerial Personnel do not hold any number of Equity Shares of our Company

Sr. No.	Name of Key Managerial Personnel	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1.	Mr. Sandeep Bhardwaj	36,66,990	30.56
2.	Ms. Sakshi Bhawsar	Nil	Nil
	Total	**36,66,990**	**30.56**

REMUNERATION / COMPENSATION TO OUR KMPs

Set forth below is the remuneration paid by our Company to our KMPs for the financial year ended March 31, 2023:

(₹ in Lakh)

Sr. No.	Name of KMPs	Designation	Remuneration paid
1.	Mr. Sandeep Bhardwaj	Managing Director & Chief Financial Officer*	48.00
2.	Ms. Sakshi Bhawsar	Company Secretary & Compliance Officer**	Nil
Total			**48.00**

**Appointed as Chief Financial Officer of the Company w.e.f. September 16, 2023.*
***Appointed as Company Secretary & Compliance Officer w.e.f September 16, 2023.*

The aforementioned KMP's are on the payrolls of our Company as permanent employees.

BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL

As on the date of this Red Herring Prospectus, our Company does not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation as on date of this Red Herring Prospectus.

LOANS TO KEY MANAGERIAL PERSONNEL

Except as stated in the Red Herring Prospectus, there is no loan outstanding against Key Managerial Personnel as on date of this Red Herring Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and may also be interested to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any. Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration. Except as stated in the heading titled ***"Related Party Transactions"*** under the Section titled ***"Financial Statements as Restated"*** beginning on page 179 of this Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Red Herring Prospectus:

Sr. No.	Name	Date of Event	Reason
1.	Mr. Sandeep Bhardwaj	September 16, 2023	Appointed as Chief Financial Officer
2.	Mr. Sandeep Bhardwaj	September 16, 2023	Appointed as Managing Director
3.	Ms. Sakshi Bhawsar	September 16, 2023	Appointed as Company Secretary and Compliance Officer

EMPLOYEES STOCK OPTION SCHEME

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme as on the date of filing of this Red Herring Prospectus.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except as stated in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled ***"Financial Statements as Restated"*** beginning on page 179 of this Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoter.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled ***"Our History and Certain Other Corporate Matters"*** beginning on page 145 of this Red Herring Prospectus.

OUR PROMOTERS

The Promoters of our Company is Mr. Sandeep Bhardwaj, Mr. Bhupesh Soni and Mr. Ajay Singh Dassundi.

As on the date of this Red Herring Prospectus, Our Promoters holds an aggregate of 1,09,89,960 Equity Shares, representing 91.58% of the Pre-Issue Issued, Subscribed and Paid-up Equity Share Capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see ***"Capital Structure – History of the Equity Share Capital held by our Promoters"***, on pages 63 of this Red Herring Prospectus.

BRIEF PROFILE OF OUR INDIVIDUAL PROMOTER



Mr. Sandeep Bhardwaj, aged 45 years, is the Promoter and Managing Director of our Company. He was appointed as Director w.e.f. October 31, 2003. Further, he was appointed as Managing Director of the Company w.e.f. September 16, 2023 for a period of 5 years. He has completed his degree of Bachelor in Pharmacy from Shri G. S. Institute of Technology and Science, Indore. He has more than 19 years of experience in the field of Pharmaceuticals. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He leads and oversees all aspect of pharmaceutical operations including manufacturing, quality control, supply chain, regulatory compliance. He developed and implement plans to increase production capacity while maintaining its product quality. He primarily looks after the overall business operations of the Company.

Qualification: Bachelor of Pharmacy

Date of Birth: July 11, 1978

Age: 45 Years

Residential Address: 1625, Scheme no. 114 part-1, Vijay Nagar, Indore- 452010, Madhya Pradesh, India

Nationality: Indian

PAN: AHSPB5218Q

Directorship Held:

- My Med Private Limited

For the complete profile of Mr. Sandeep Bhardwaj, - educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see ***"Our Management"*** on page 149 of this Red Herring Prospectus.



Mr. Bhupesh Soni, aged 44 years, is the Promoter and Executive Director of the Company. He was appointed as Executive Director w.e.f. March 15, 2001. He has completed his degree of Bachelor in Pharmacy from Shri G. S. Institute of Technology and Science. He is a dynamic and result oriented professional with a 23 years' experience in the Pharmaceutical Industry with a leadership role as a Director. He has fostered strong relationship with suppliers and assists them in improving their performance to meet quality and compliance standards. He leads the market research and competitive analysis to identify market trends and opportunities. He implemented the projects of 'Zenith Manufacturing Unit – I, Capsule Block Addition and commissioned the project of Premier Products.

Qualification: Bachelor of Pharmacy

Date of Birth: October 05, 1978

Age: 44 Years

Residential Address: 2900, Sector E Sudama Nagar, Indore-452009 Madhya Pradesh, India

Nationality: Indian

PAN: ARYPS6799P

Directorship Held:

- My Med Private Limited
- Premier Gravure Private Limited

For the complete profile of Mr. Bhupesh Soni, - educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see ***"Our Management"*** on page 149 of this Red Herring Prospectus.

	**Mr. Ajay Singh Dassundi**, aged 44 Years, is the Promoter and Executive Director of the Company. He was Appointed as Executive Director of the Company w.e.f. October 31 2003 and further re-appointed as Executive Director of the Company w.e.f. June 25, 2015. He has completed his Bachelors of Pharmacy from the Shri G. S. Institute of Technology and Science, Indore. He is dynamic and result driven sales and marketing professional with 23 years of experience in the Pharmaceutical Industry starting his career as medical representative with a Multinational Company and Joined the company and natured it to be a successful pharma company. Over the period of time, he has developed key relations with health care professionals, dealers, distributors and other stakeholders of the industry. His business skills and PR expertise has always been beneficial for the company and his vision has guided the company to achieve the business objectives. **Qualification:** Bachelor of Pharmacy **Date of Birth:** August 24, 1979 **Age:** 44 Years **Residential Address:** 1437- scheme no. 114, part 1, Indore- 452010 Madhya Pradesh, India **Nationality:** Indian **PAN:** AENPD6943C **Directorship Held:** • My Med Private Limited

For the complete profile of Mr. Ajay Singh Dassundi, - educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see ***"Our Management"*** on page 149 of this Red Herring Prospectus.

DECLARATION

We declare and confirm that the details of the Permanent Account Number, Aadhaar Card Number and Driving License Number, Passport Number and Bank Account Number of our Promoters will be submitted to the Stock Exchange i.e., National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed at the time of filing this Red Herring Prospectus.

UNDERTAKING / CONFIRMATIONS

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.

- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled "Outstanding Litigations and Material Developments" beginning on page 206 of this Red Herring Prospectus.

- None of our Promoter person in control of our Company are or have ever been a promoters, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

CHANGE IN CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Red Herring Prospectus.

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter ***"Our Management"*** beginning on page 149 of this Red Herring Prospectus.

INTEREST OF OUR PROMOTER

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, and (ii) to the extent of their shareholding in our Company. For details on shareholding of our Promoters in our Company, see ***"Capital Structure"*** on page 63 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please refer the section titled ***"Related Party Transactions"*** in chapter ***"Financial Statements as Restated"*** on page 179 of this Red Herring Prospectus.

Interest in promotion of our Company

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest in the property, land, construction of building, supply of machinery, etc.

Except as mentioned in the chapter titled ***'Our Business'*** beginning on page 101 of this Red Herring Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 2 (two) years before filing of this Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Interest in our Company arising out of being a member of a firm or company

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Interest in our Company other than as Promoter

Except as mentioned in this chapter and chapters titled ***"Our Business", "History and Certain Corporate Matters", "Our Management"*** *and* ***"Restated Financial Statements"*** beginning on pages 101, 145, 149 and 179, respectively, our Promoters do not have any other interest in our Company.

Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years

Except as stated above in chapters ***"Financial Statements as Restated"*** beginning on page 179 of this Red Herring Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing of this Red

Herring Prospectus or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

COMMON PURSUITS OF OUR PROMOTER

Except as disclosed below, our Promoters is not involved with any ventures which are in the same line of activity or business as that of our Company.

Sr. No	Name of Entity
1.	My Med Private Limited

MATERIAL GUARANTEES GIVEN TO THIRD PARTIES

Except as stated in the ***"Financial Statements as Restated"*** beginning on page 179 of this Red Herring Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

EXPERIENCE OF PROMOTERS IN THE LINE OF BUSINESS

Our Promoters are Mr. Sandeep Bhardwaj, Mr. Bhupesh Soni and Mr. Ajay Singh Dassundi and have an experience of around 20 years in the pharmaceutical industry. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of shareholding of members of our Promoter Group as on the date of this Red Herring Prospectus, please see the chapter titled ***"Capital Structure – Notes to Capital Structure"*** beginning on page 63 of this Red Herring Prospectus.

LITIGATION INVOLVING OUR PROMOTER

For details relating to legal proceedings involving the Promoters, please refer ***"Outstanding Litigation and Material Developments"*** beginning on page 206 of this Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

Except as stated in ***"Annexure XXVII–"Related Party Transactions"*** beginning on page 178 of this Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Red Herring Prospectus.

Sr. No.	Name of Promoters	Name of Entity	Reason for Disassociation	Date of Disassociation
1	Mr. Sandeep Bhardwaj	Nil	Nil	Nil
2	Mr. Bhupesh Soni	Nil	Nil	Nil
3	Mr. Ajay Singh Dassundi	Nil	Nil	Nil

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 is as under:

A. ***Natural Persons who form part of our Promoter Group:***

Promoter	**Mr. Sandeep Bhardwaj**	**Mr. Bhupesh Soni**	**Mr. Ajay Singh Dassundi**
Relation with Promoter			
Father	Late Shri Santosh Bhardwaj	Late Ramaniklal Soni	Rajendra Singh
Mother	Saroj Bhardwaj	Saroj Soni	Lad Kunwar
Spouse	Priyanka Bhardwaj	Jaywanti Soni	Anjali Dassundi
Brother(s)	NA	NA	Arjun Dasoondi

Sister(s)	Sandhya Upadhyay	Veena Barbhaya	Anita Rajora
Sister(s)	Rajni Pachori	Daksha Deepak Soni	NA
Son(s)	Kavya Bhardwaj	Vyom Soni	Atharv Dassundi
Son(s)	Rama Bhardwaj	NA	NA
Daughter(s)	NA	Omi Soni	Suhani Dasundi
Daughter(s)	NA	NA	Tanishka Dassundi
Spouse's Father	Ramesh Chand Sharma	Dilipbhai Trimbak Lal Soni	Suresh Chouhan
Spouse's Mother	Brajlata Sharma	Rasilaben DilipBhai Soni	Manjulata Chouhan
Spouse's Brother(s)	Rahul Sharma	Pankaj D Soni	Anshul Chouhan
Spouse's Brother(s)	NA	Hitesh D Soni	NA
Spouse's Brother(s)	NA	Sameer D Soni	NA
Spouse's Sister(s)	Pallavi Sharma	NA	Pallavi Chouhan
Spouse's Sister(s)	NA	NA	Shalini Chouhan
Spouse's Sister(s)	NA	NA	Bharti Dindorkar

B. ***In case promoter is a Body Corporate***

Sr. No.	Nature of Relationship	Name of the Promoter Entities / Company
1.	Subsidiary or holding company of Promoter Company	N.A.
2.	Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	N.A.

C. ***In case promoter is an Individual:***

Sr. No.	Nature of Relationship	Entity
1.	Any Body Corporate in which 20% or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relatives is a member.	NIL
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NIL
3.	Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 20%.	• Premier Products • Biogenesis Corp

D. ***All persons whose shareholding is aggregated under the heading "shareholding of the Promoter Group":***

The following persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1)(pp)(v) of SEBI (ICDR) Regulations 2018: **NIL**

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered those companies as our Group Company (other than promoter(s) and subsidiary / subsidiaries) with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Company as considered material by our Board.

Further, pursuant to a resolution of our Board dated September 26, 2023 for the purpose of disclosure in relation to Group company in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfils both the below mentioned conditions: -

a) the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements ("Restated Financial Statements"); or

b) if such company fulfils both the below mentioned conditions: -

i. such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI(ICDR) Regulations; and

ii. the Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of total revenue of the Company as per Restated Financial Statements.

Accordingly, based on the parameters outlined above, as on the date of this Red Herring Prospectus, there are no company / entity falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company / entity ("Group Company").

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders at the general meeting. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Our Company has not paid / declared any dividend in last three years from date of this Red Herring Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XXIX of section titled ***"Financial Statements as Restated"*** beginning on page 179 of this Red Herring Prospectus.

SECTION IX: FINANCIAL INFORMATION

FINANCIAL STATEMENTS AS RESTATED

Sr. No.	Particulars	Page no.
1	Restated Consolidated Financial Statements	F-1 to F-33

FINANCIAL STATEMENTS AS RESTATED

Independent Auditor's Report for the Restated Financial Statements of
ZENITH DRUGS LIMITED
(Formerly known as ZENITH DRUGS PRIVATE LIMITED)

Auditor's Report on the Restated Consolidated Statement of Assets and Liabilities for the half year ended and financial years ended on September 30, 2023, March 31, 2023, 2022 and 2021, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Cash Flow Statement for the half year ended and financial years ended on September 30, 2023, March 31, 2023, 2022 and 2021 of "ZENITH DRUGS LIMITED" (collectively, the "Restated Summary Statements")

To
The Board of Directors
ZENITH DRUGS LIMITED
(Formerly ZENITH DRUGS PRIVATE LIMITED)
K. No. 72/5, Village Muradpura NA Depalpur
Indore MP 453001

Dear Sir,

1. We have examined the attached Restated Consolidated Statements of Assets and Liabilities of **ZENITH DRUGS LIMITED** (the "Company") along with significant accounting policies and related notes **for the half year ended and financial years ended on March 31, 2023, 2022 and 2021, Restated Consolidated Statement of Profit & Loss and Restated Consolidated Statement of Cash Flow for the half year and years ended on March 31, 2023, 2022 and 2020**, annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document (collectively the **"Restated Summary Statements"** or **"Restated Financial Statements")**. These Restated Consolidated Summary Statements have been prepared by the company and approved by the Board of Directors of the company in connection with the Initial its proposed Initial Public Offering ("IPO") on the SME Platform of NSE Limited.

2. These Restated Consolidated Summary Statements have been prepared in accordance with the requirements of:

- Section 26 and 32 of Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations), 2018 (the 'SEBI ICDR Regulations') as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act,1992;

- The Guidance Note on Reports in Company Draft Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("ICAI") ("Guidance Note");

- The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and

- The terms of reference to our engagement letter with the company dated August 21, 2023 requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on SME Platform of NSE Limited ("NSE SME") ("IPO" or "SME IPO").

3. These Restated Financial Information (included in Annexure I to XIII) have been extracted by the Management of the Company from:

The Company's Consolidated Financial Statements for the half year and financial year ended September 30, 2023, March 31, 2023, 2022 and 2021 which have been approved by the Board of Directors at their meeting respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Financial Statements, are the responsibility of the Company's Management. The Consolidated Financial Statement of the Company for the half year and financial year ended on September 30, 2023, March 31, 2023, 2022 and 2021 has been audited by us being the Statutory Auditors of the Company and had issued unqualified reports for these years.

4. In accordance with the requirement of Section 26 and 32 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:

   (a) The **Restated Consolidated Statement of Assets and Liabilities** for the half year and financial year ended on September 30, 2023, March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure I** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XIII to this Report.

   (b) The **Restated Consolidated Statement of Profit and Loss** of the Company for the half year and financial year ended on September 30, 2023, March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure II** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Profit and Loss, have been arrived at after making such adjustments and regroupings of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XIII to this Report.

   (c) The **Restated Consolidated Statement of Cash Flows** of the Company for the half year and financial year ended on September 30, 2023, March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure III** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Cash Flows, have been arrived at after making such adjustments and regroupings of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XIII to this Report.

   As a result of these adjustments, the amounts reporting in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

5. Based on the above, as per the reliance placed by us on the audited financial statements of the Company and report thereon given by us, the Statutory Auditor of the Company for the half year and financial year ended on September 30, 2023, March 31, 2023, 2022 and 2021, and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Statement:

   (a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company as at September 30, 2023.

   (b) have been made after incorporating adjustments for prior period and other material amounts, if any, in the respective financial years to which they relate to;

   (c) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Statement and do not contain any qualification requiring adjustments;

   (d) There were no qualifications in the Audit Reports issued by us for the half year and financial year ended on September 30, 2023, March 31, 2023, 2022 and 2021 which would require adjustments in this Restated Financial Statements of the Company;

   (e) Restated Consolidated Summary Statement of Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to XIII to this report;

(f) Adjustments in Restated Consolidated Summary Statements have been made in accordance with the correct accounting policies,

(g) There was no change in accounting policies, which needs to be adjusted in the Restated Consolidated Summary Statements;

(h) There are no revaluation reserves, which need to be disclosed separately in the Restated Consolidated Financial Statements;

(i) The Company has not paid dividend during the financial years under review.

6. We have also examined the following other Restated Consolidated Financial Information as set out in the respective Annexure's to this report and forming part of the Restated Financial Statement, prepared by the management of the Company and approved by the Board of Directors of the company for the half year and financial year ended on September 30, 2023, March 31, 2023, 2022 and 2021 proposed to be included in the Draft Red Hearing Prospectus/Red Hearing Prospectus/Prospectus ("Offer Document") for the proposed IPO:

   1. Statement of Share Capital, Reserves & Surplus, Long-Term Borrowings, Deferred Tax Liabilities, Long-Term Provisions, Short-Term Borrowings, Trade Payables, Other Current Liabilities, Short-Term Provisions, Plant, Property & Equipment and Intangible Assets, Non-Current Investments, Long Term Loans & Advances, Other Non-Current Assets, Inventory, Trade Receivables, Cash and Cash Equivalents, Short-Term Loans and Advances, Other Current Assets, Revenue from Operations, Other Income, Cost of Material Consumed, Changes in Inventory, Employee Benefit Expenses, Finance Cost, Depreciation & Amortization, Other Expenses, as restated in **Annexure V** to this report.

   2. Statement of Related Party Transactions as restated in **Annexure VII** to this report.

   3. Statement of Reconciliation of Restated Profit after Tax, Restated Equity/Net worth, as restated in **Annexure VIII** to this report.

   4. Statement of Capitalization as restated in **Annexure IX** to this report

   5. Statement of Other Financial Information as restated in **Annexure X** to this report.

   6. Statement of Tax Shelters as restated in **Annexure XI** to this report.

   7. Statement of Contingent Liabilities as restated in **Annexure XII** to this report.

7. We, Badaya & Co., Chartered Accountants hold a valid peer review certificate issued by the "Peer Review Board" of the Institute of Chartered Accountants of India ("ICAI").

8. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

9. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as an opinion on any of the Consolidated Financial Information referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. In our opinion, the above Restated Financial Statements contained in **Annexure I to XIII** to this report read along with the 'Significant Accounting Policies and Notes to the Financial Statements' appearing in **Annexure IV to XIII** after making adjustments and regrouping/reclassification as considered appropriate and have been prepared in accordance with the provisions of Section 26 and 32 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.

12. Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed SME IPO of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

For Badaya & Co.
Chartered Accountants
Firm Registration No.: 006395C

Sd/-
Rohit Badaya
Partner
Membership No. 078599
UDIN: 24078599BKEPUK8593

Place: Jaipur
Date: 24.01.2024

Annexure-I

ZENITH DRUGS LIMITED
(Formerly known as ZENITH DRUGS PRIVATE LIMITED
CIN No.-U24231MP2000PLC014465

RESTATED CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES

(Rs. in Lakhs)

			Consolidated			*Standalone*
	Particulars	**Note No.**	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
I.	**EQUITY AND LIABILITIES**					
1.0	**Shareholders' Funds**					
	(a) Share Capital	**2**	1,200.00	40.00	40.00	40.00
	(b) Reserves and Surplus	**3**	1,064.96	1,684.42	1,169.09	855.27
2.0	**Minority interest**	**4**	0.28	1.45	1.49	-
3.0	**Non-Current liabilities**					
	(a) Long-term Borrowings	**5**	885.91	835.59	957.10	727.50
	(b) Deferred Tax Liabilities (Net)	**6**	76.31	41.92	26.34	30.79
	(c) Long-term Provisions	**7**	11.55	8.58	6.70	3.65
4.0	**Current Liabilities**					
	(a) Short-term Borrowings	**8**	2,016.90	1,769.44	923.76	820.61
	(b) Trade Payables	**9**				
	-Due to Micro, Small & Medium Enterprises		2,306.13	1,987.39	654.70	643.56
	-Due to Other than MSME		3,225.14	3,173.42	2,813.43	1,382.83
	(c) Other Current Liabilities	**10**	92.05	59.52	132.45	114.84
	(d) Short-term Provisions	**11**	369.81	192.12	133.41	35.64
	TOTAL		**11,249.04**	**9,793.83**	**6,858.47**	**4,654.70**
II.	**ASSETS**					
1.0	**Non-current Assets**					
	(a) Property, Plant & Equipment & Intangible Assets	**12**				
	(i) Property, Plant & Equipment		1,093.81	1,172.58	1,047.28	921.91
	(ii) Intangible assets					
	(iii) Capital Work-in-progress		88.59	-	266.20	-
	(b) Other Non-Current Assets	**13**	246.40	229.02	192.01	147.92
2.0	**Current Assets**					
	(a) Inventories	**14**	2,868.23	2,367.31	1,213.07	683.17
	(b) Trade Receivables	**15**	5,913.80	4,931.13	3,206.79	2,338.16
	(c) Cash and Cash Equivalents	**16**	338.55	360.64	300.06	184.80
	(d) Short Term Loans & Advances	**17**	699.66	733.15	633.05	378.75
	(e) Other Current Assets		-	-	-	-
	TOTAL		**11,249.04**	**9,793.83**	**6,858.47**	**4,654.70**

The accompanying notes 1 - 25 are integral part of financial statements
As per our report of even date
For Badaya & Co.
Chartered Accountants
FRN: 006395C

Sd/-
Rohit Badaya
(Partner)
Membership No. 078599

For & on behalf of the board of directors,

Sd/-
Sandeep Bhardwaj
Managing Director & CFO
DIN: 00539347

Sd/-
Bhupesh Soni
Director
DIN: 00539355

Sd/-
Sakshi Bhawsar
Company Secretary and Compliance Officer

Place: Jaipur
Date: 24.01.2024

Annexure - II

ZENITH DRUGS LIMITED
(Formerly known as ZENITH DRUGS PRIVATE LIMITED
CIN No.-U24231MP2000PLC014465
RESTATED CONSOLIDATED STATEMENT OF PROFIT & LOSS

(Rs. in Lakhs)

		Consolidated			*Standalone*
Particulars	**Note No.**	**For the half year ended 30.09.2023**	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
Revenue from operations	**18**	6,940.93	11,451.91	9,165.50	7,340.17
Other income	**19**	7.50	117.74	101.12	11.39
Total Income		**6,948.43**	**11,569.65**	**9,266.63**	**7,351.57**
Expenses:					
Cost of Materials Consumed	**20**	4,429.63	8,572.13	7,552.59	5,184.89
Change in inventory of Finished goods and W-I-P	**21**	140.30	(54.24)	(292.61)	15.62
Employee Benefit Expenses	**22**	342.76	473.37	371.31	344.99
Finance Cost	**23**	145.81	233.58	211.03	132.40
Depreciation and Amortization Expenses	**24**	62.60	130.28	132.63	121.60
Other Expenses	**25**	1,066.33	1,493.50	851.09	1,091.86
Total Expenses		**6,187.42**	**10,848.62**	**8,826.04**	**6,891.36**
Profit before Exceptional Items		**761.01**	**721.02**	**440.59**	**460.21**
Exceptional & Extra Ordinary Items		2.10			
Profit/(Loss) before Tax		**758.91**	**721.02**	**440.59**	**460.21**
Tax Expenses:					
Current Tax		185.14	190.15247	132.18	137.25
Deferred Tax		34.39	15.58	(4.46)	20.04
Profit/(Loss) for the year		**539.38**	**515.29**	**312.86**	**302.92**
Less: Share of Profit of Minority Shareholders		(1.17)	(0.04)	(0.96)	-
Profit/(Loss) for the year		**540.55**	**515.33**	**313.82**	**302.92**
Earnings per equity share:					
Basic (in Rs.)		4.49	128.82	78.22	75.73
Diluted (in Rs.)		4.49	128.82	78.22	75.73

The accompanying notes 1 - 25 are integral part of financial statements
As per our report of even date

For Badaya & Co.
Chartered Accountants
FRN: 006395C

Sd/-
Rohit Badaya
(Partner)
Membership No. 078599

For & on behalf of the board of directors,

Sd/-
Sandeep Bhardwaj
Managing Director & CFO
DIN: 00539347

Sd/-
Bhupesh Soni
Director
DIN: 00539355

Place: Jaipur
Date: 24.01.2024

Sd/-
Sakshi Bhawsar
Company Secretary & Compliance Officer

Annexure - III

ZENITH DRUGS LIMITED
(Formerly known as ZENITH DRUGS PRIVATE LIMITED
CIN No.-U24231MP2000PLC014465
RESTATED CONSOLIDATED CASH FLOW STATEMENT

(Rs. in Lakhs)

	Particulars	*Consolidated* For the half Year ended 30th September, 2023	*Consolidated* For the Year ended 31st March, 2023	*Consolidated* For the Year ended 31st March, 2022	Standalone For the Year ended 31st March, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Net Profit before tax	758.91	721.02	440.59	460.21
	Depreciation & Amortisation	62.60	130.28	132.63	121.60
	Finance Cost	145.81	233.58	211.03	132.40
	Provision for Gratuity	2.99	1.88	3.06	3.17
	Interest Income	-	-	-	-
	Operating Profit before Working Capital Charges	**970.31**	**1,086.76**	**787.30**	**717.38**
	Adjusted for:				
	Inventories	(500.92)	(1,154.24)	(529.90)	(246.88)
	Trade receivables	(982.67)	(1,724.34)	(868.63)	205.24
	Other non current assets	(17.38)	(37.01)	(44.09)	(13.50)
	Short Term Loans & Advances	33.49	(100.10)	(254.30)	(64.71)
	Trade Payable	370.46	1,692.67	1,441.75	(273.94)
	Short term provisions	177.69	58.71	97.76	(225.50)
	Other Current Liabilities	32.53	(72.93)	17.61	114.84
	Cash Generated From Operations	**83.51**	**(250.49)**	**647.49**	**212.93**
	Payment of Income Tax (Net of Refund)	(185.14)	(190.15)	(132.18)	(137.25)
	Net cash generated/ (used in) from operating activities	**(101.63)**	**(440.64)**	**515.31**	**75.68**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property, Plant & Equipment	(10.26)	(290.90)	(258.01)	(142.83)
	Capital Work In Progress	(88.59)	-	(266.20)	-
	Sale of Property, Plant & Equipment	26.46	301.52	-	-
	Purchase/(Sale) of Investments	-	-	-	-
	Interest Income	-	-	-	-
	Net Cash used in Investing Activities (B)	**(72.39)**	**10.62**	**(524.22)**	**(142.83)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Share Capital of Minorities	-	-	2.45	
	Finance Cost	(145.81)	(233.58)	(211.03)	(132.40)
	Movement of Long Term Borrowings	50.32	(121.52)	229.60	(234.76)
	Movement Short term borrowings	247.46	845.68	103.15	575.54
	Net Cash used in Financing Activities (C)	**151.97**	**490.59**	**124.17**	**208.38**
	Net Increase/(Decrease) in Cash and Cash Equivalents	**(22.05)**	**60.57**	**115.27**	**141.23**
	Cash and Cash Equivalents at the beginning of the year	**360.64**	**300.06**	**184.80**	**43.57**
	Cash and Cash Equivalents at the end of the year	**338.58**	**360.64**	**300.06**	**184.80**

Note :-

1. Components of Cash & Cash Equivalent

Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
a. Balances with banks				
- Current Accounts	38.55	20.99	11.87	1.78
- Term Deposits	291.97	332.73	267.39	164.07
b. Cash in hand (As certified by the management)	8.04	6.92	20.80	18.94
Total	**338.55**	**360.64**	**300.06**	**184.79**

2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.
3. Figures in Brackets represents outflow.

The accompanying notes 1 - 25 are integral part of financial statements
As per our report of even date

For & on behalf of the board of directors,

For Badaya & Co.
Chartered Accountants
FRN: 006395C

Sd/-
Rohit Badaya
(Partner)
Membership No. 078599

Sd/-
Sandeep Bhardwaj
Managing Director & CFO
DIN: 00539347

Sd/-
Bhupesh Soni
Director
DIN: 00539355

Place: Jaipur
Date: 24.01.2024

Sd/-
Sakshi Bhawsar
Company Secretary and Complinace Officer

ZENITH DRUGS LIMITED

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

CORPORATE INFORMATION:

The Company was originally formed & incorporated as a Private Limited Company in the state of Madhya Pradesh under the Companies Act, 1956 in name and style of "Zenith Drugs Private Limited" vide certificate of incorporation dated November 15th, 2000 bearing Corporate Identity Number U24231MP2000PLC014465 issued by the Registrar of Companies, Gwalior. Subsequently, company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on September 05th, 2023 and the name of the company was changed to Zenith Drugs Limited pursuant to issuance of Fresh Certificate of Incorporation dated by September 13th, 2023 Registrar of Companies, Gwalior with Corporate Identification Number is U24231MP2000PLC014465.

The company is mainly engaged in the business of manufacturing and Trading of Medicines.

1.1 Basis of preparation of financial statements

(a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.

(b) The financial statements are prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Companies Act, 2013.

(c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

(d) The Company holds 51% of My Med Private Limited in FY 2021-22, hence Restated Consolidated Financial statements has been prepared for FY 2021-22 and 2022-23 as per Accounting standard -21.

1.2 Revenue Recognition

(a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(b) Sale of goods is recognised on dispatch to customers. Sales are net of return, excise duty and Sales Tax/VAT/GST. The company collects VAT/GST on behalf of the Government and therefore there are not economic benefits following to the company hence they are excluded from the revenue.

(d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

1.3 Property, Plant & Equipment & Depreciation

(a) The tangible items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any, using the cost model as prescribed under Accounting Standard, AS-10 "Property, Plant & Equipment". Cost of an item of property, plant and equipment comprises of the purchase price, including import duties, if any, non-refundable purchase taxes, after deducting trade discounts and rebates, and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible assets comprises its purchase cost and any directly attributable expenditure on making the assets ready for its intended use and net of any trade discounts and rebates. Subsequently expenditure on an intangible assets after its generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the cost of the assets.

1.4 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

1.5 Investments

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

1.6 Inventories

Raw material, Packing material and consumable goods are valued at cost including procurement expenses, Finished goods are valued at lower of cost or market price. Cost of Finished goods are determined by taking material,labour,manufacturing and related factory and other overheads excluding depreciation.

1.7 Employee Benefits

(i) Short-term employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amounted in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognised as expenses in the period in which the employee renders the related service

(ii) Post employment benefits:

Defined Contribution Plan

The Company has Defined Contribution Plans for Post employment benefits in the form of Provident Fund for all employees which are administered by Regional Provident Fund Commissioner. Provident Fund and Employee State Insurance are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

Defined benefit Plans

Unfunded Plan: The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity.
Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

1.8 Borrowing Costs

(a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.
(b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

1.9 Taxes on Income

Tax expense comprises of current tax and deferred tax.
Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.
Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

1.10 Earnings per Share (EPS)

(a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
(b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.11 Prior Period Items

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements.

1.12 Provisions / Contingencies

(a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
(b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
(c) A Contingent Asset is not recognized in the Accounts.

1.13 Segment Reporting

A. Business Segments:
Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment, which is Sale of Goods and services relating to Medicines. Accordingly, the figures appearing in these financial statements relate to the Company's single Business Segment.

B. Geographical Segments:
The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

1.14 Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

NOTES TO RESTATED FINANCIAL INFORMATION

NOTE 2 *Annexure - V*

SHARE CAPITAL

Particulars	*Consolidated*			Standalone
	As at 30.09.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
Authorised				
224,00,000 Equity Shares of Rs.10/- each	2,240.00	240.00	240.00	240.00
(Previous year 24,00,000 Equity Shares of Rs.10/- each)				
	2,240.00	240.00	240.00	240.00
Issued, Subscribed & Fully Paid-up				
1,20,00,000 Equity Shares of Rs.10/- each fully paid-up	1,200.00	40.00	40.00	40.00
(Previous year 4,00,000 Equity Shares of Rs.10/- each fully paid-up)				
Total	**1,200.00**	**40.00**	**40.00**	**40.00**

NOTE 2A : Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 30.09.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Shares outstanding at the beginning of the year	4,00,000.00	4,00,000.00	4,00,000.00	4,00,000.00
Shares Issued during the year	1,16,00,000.00	-	-	
Shares bought back during the year		-	-	
Shares outstanding at the end of the year	**1,20,00,000.00**	**4,00,000.00**	**4,00,000.00**	**4,00,000.00**

a. The authorised capital of the company was increased from 24,00,000 equity shares of Rs. 10/- each amounting to Rs. 240.00 Lakhs to 2,24,00,000 equity shares of Rs. 10/- each amounting to Rs. 2,240.00 Lakhs vide resolution dated August 21, 2023.

b. The paid up share capital of the company was increased from 4,00,000 fully paid up equity shares of Rs. 10/- each amounting to Rs. 40.00 Lakhs to 1,20,00,000 equity shares of Rs. 10 each fully paid up amounting to Rs. 1200.00 Lakhs by issuing bonus shares in the ration 29:1 (29 fully paid up equity shares for every one fully paid up equity share held) vide resolution dated September 23, 2023.

NOTE 2B: Term/rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Holder of each equity share is entitled to one vote.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the number of equity shares held by the shareholders.

NOTE 2C :

Shares held by promoters at the end of the period

Sl.No	Name of Shareholder	As at 30.09.2023		
		% of Holding	No. of Shares held	% Change
1.00	Bhupesh Soni	0.29	34,60,980.00	**(0.00)**
2.00	Mr. Sandeep Bharadwaj	0.31	36,66,990.00	**0.00**
3.00	Mr. Ajay Singh Dassundi	0.32	38,61,990.00	**0.02**

Shares held by promoters at the end of the period

Sl.No	Name of Shareholder	As at 31.03.2023		
		% of Holding	No. of Shares held	% Change
1.00	Bhupesh Soni	0.29	1,16,780.00	**0.10**
2.00	Mr. Sandeep Bharadwaj	0.31	1,22,030.00	-
3.00	Mr. Ajay Singh Dassundi	0.30	1,20,890.00	**0.02**

Shares held by promoters at the end of the period

Sl.No	Name of Shareholder	As at 31.03.2022		
		% of Holding	No. of Shares held	% Change
1.00	Bhupesh Soni	0.20	78,730.00	-
2.00	Mr. Sandeep Bharadwaj	0.31	1,22,030.00	-
3.00	Mr. Ajay Singh Dassundi	0.29	1,14,690.00	-

Shares held by promoters at the end of the period

Sl.No	Name of Shareholder	As at 31.03.2021		
		% of Holding	No. of Shares held	% Change
1.00	Bhupesh Soni	0.20	78,730.00	-
2.00	Mr. Sandeep Bharadwaj	0.31	1,22,030.00	-
3.00	Mr. Ajay Singh Dassundi	0.29	1,14,690.00	-

NOTE 2D : The details of Shareholders holding more than 5% shares:

Sl.No	Name of Shareholder	As at 30.09.2023		As at 31.03.2023		As at 31.03.2022		As at 31.03.2021	
		% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held
1.00	Bhupesh Soni	0.29	34,60,980.00	0.29	1,16,780.00	0.20	78,730.00	0.20	78,730.00
2.00	Smt. Saroj Soni	-	-	-	-	0.10	38,050.00	0.10	38,050.00
3.00	Mr. Sandeep Bharadwaj	0.31	36,66,990.00	0.31	1,22,030.00	0.31	1,22,030.00	0.31	1,22,030.00
4.00	Mr. Ajay Singh Dassund	0.32	38,61,990.00	0.30	1,20,890.00	0.29	1,14,690.00	0.29	1,14,690.00

NOTE 2E : Holding Company

Name of Company :	Not applicable
No. of Shares held :	-
% of Holding :	-

NOTE 3 *Annexure-VI*
RESERVE & SURPLUS *(Rs. In Lakhs)*

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
a. Securities Premium Reserve				
Opening Balance	20.00	20.00	20.00	20.00
Less : transfer to reserves	20.00	-	-	-
Closing Balance	**-**	**20.00**	**20.00**	**20.00**
b. Surplus/(Deficit) in Statement of Profit & Loss				
Opening balance	1,664.42	1,149.09	835.27	532.35
Add/(Less): Net Profit/(Net Loss) for the current year	540.55	515.33	313.82	302.92
Less: Share issued during the current financial year	1,160.00	-	-	-
Less: Transfer from security premium	20.00	-	-	-
Closing Balance	**1,064.96**	**1,664.42**	**1,149.09**	**835.27**
Total	**1,064.96**	**1,684.42**	**1,169.09**	**855.27**

NOTE 4 *Annexure-VII*
MINORITY INTEREST *(Rs. In Lakhs)*

	Consolidated			*Standalone*
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
Share Capital of Minorities	2.45	2.45	2.45	
Opening Share of Profit/(Loss) of Minority Shareholders	(1.00)	(0.96)	-	-
Profit/(Loss) of Minority Shareholders during the year	(1.17)	(0.04)	(0.96)	
Total	**0.28**	**1.45**	**1.49**	**-**

NOTE 5
LONG TERM BORROWINGS *Annexure-VIII*
(Rs. In Lakhs)

	Consolidated			*Standalone*
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
(i) SECURED LOANS				
HDFC Term Loan 83006168	6.31	36.63	93.26	145.69
HDFC Term Loan 83144127		-	-	3.18
HDFC Term Loan 83695222	9.29	21.90	45.40	67.18
HDFC Term Loan 84306208		-	22.19	47.69
HDFC Term Loan 8111113	43.32	70.75	121.70	157.51
HDFC Term Loan (My Med)		-	150.05	-
Small Industries Dev. Bank of India	135.64	163.39	77.56	70.00
SIDBI -200 LAKH		-	91.10	-
PNB Housing Finance	13.27	13.61	14.17	14.74
Innova Crysta 2.4 loan A/C	5.82	8.13	12.37	16.30
HDFC Creta Loan		-	2.05	6.63
HDFC Eicher Loan 67300823		0.37	4.80	8.10
HDFC Loan Vitara Breeza 948133		-	1.73	4.50
Loan Skoda - 110559194		-	2.54	4.87
HDFC S-Presso 113360321		-	-	1.19
HDFC Bank - WCDL Loan		-	100.00	-
HDFC ECLGS Loan A/C	140.19	140.19	-	-
HDFC Innova Loan 129446198	18.93	21.14	-	-
Punjab National Bank Loan -069900CN00000023	37.96			
	410.74	476.11	738.92	547.58
(ii) UNSECURED LOANS				
From Directors and Shareholders	552.09	539.27	422.07	349.83
Term Loan from Bank				
IDFC Bank	-	-	18.56	68.85
Kotak Mahindra Bank	-	-	-	16.71
Magma Fincorp Ltd	-	-	-	(0.21)
Axis bank Loan A/C	-	-	-	8.92
ICICI Loan A/c 746589	-	-	-	9.06
IDFC First Bank	-	-	-	9.37
RBL Bank Loan	-	-	-	9.19
Tata Capital Loan	-	-	-	8.55
HDFC Term Loan (My Med)	-	-	3.40	-
ICICI BANK LOAN A/C NEW	-	-	45.61	-
Axis bank Ltd 894124475	-	-	29.70	-
Kotak Mahindra bank 153287208	-	-	86.26	-
IDFC First Bank 60509568	-	10.77	39.47	-
Aditya birla finance ltd 530326	-	-	45.84	-
Tata Capital financial service Ltd	-	-	45.33	-
	-	**10.77**	**314.17**	**130.44**
Total (i)+(ii)	962.83	1,026.15	1,475.16	1,027.85
(iii) Less: Current Maturities of Long Term Debts	76.92	190.56	518.06	300.35
Total (i) + (ii) - (iii)	**885.91**	**835.59**	**957.10**	**727.50**
(Refer Note No. 5.1)				

NOTE 6 *Annexure-IX*

DEFFERED TAX LIABILITIES (NET) *(Rs. In Lakhs)*

	Consolidated			*Standalone*
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
Opening Balance	41.92	26.34	30.79	10.75
Add/Less: Arising During the Year	34.39	15.58	(4.46)	20.04
Closing Balance	**76.31**	**41.92**	**26.34**	**30.79**

NOTE 7

LONG TERM PROVISIONS *Annexure-X*

(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
Provision for Gratuity (Refer Note - 26A)	11.55	8.58	6.70	3.65
Total	**11.55**	**8.58**	**6.70**	**3.65**

NOTE 8

SHORT TERM BORROWINGS *Annexure-XI*

(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
Secured				
Secured Loans from Banks				
DBS Bank India Limited Overdraft	-	52.35	-	-
Punjab National Bank Overdraft	1,067.20	739.92	-	-
HDFC Bank Limited Overdraft	872.78	786.60	405.70	520.25
Add: Current Maturities of Long Term Debts	76.92	190.56	518.06	300.35
Total	**2,016.90**	**1,769.44**	**923.76**	**820.61**

NOTE 9 *Annexure-XII*

TRADE PAYABLES

(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
Due to Micro, Small and Medium Enterprise	2,306.13	1,987.39	654.70	643.56
Due to Other than Micro, Small and Medium Enterprise	3,225.14	3,173.42	2,813.43	1,382.83
Total	**5,531.26**	**5,160.81**	**3,468.13**	**2,026.39**

Breakup of Trade payable outstanding as on 30.09.2023

	Particulars	**Outstanding for following periods from due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i)	MSME	2,306.13		-	-	2,306.13
(ii)	Others	3,142.34	51.52	18.37	12.91	3,225.14
(iii)	Disputed dues – MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Total	**5,448.47**	**51.52**	**18.37**	**12.91**	**5,531.26**

Breakup of Trade payable outstanding as on 31.03.2023

	Particulars	**Outstanding for following periods from due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i)	MSME	1,987.39	-	-	-	1,987.39
(ii)	Others	3,109.57	41.28	10.56	12.00	3,173.42
(iii)	Disputed dues – MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Total	**5,096.96**	**41.28**	**10.56**	**12.00**	**5,160.81**

Breakup of Trade payable outstanding as on 31.03.2022

	Particulars	**Outstanding for following periods from due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i)	MSME	653.37	1.33	-	-	654.70
(ii)	Others	2,754.95	39.52	9.48	9.48	2,813.43
(iii)	Disputed dues – MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Total	**3,408.32**	**40.85**	**9.48**	**9.48**	**3,468.13**

	Breakup of Trade payable outstanding as on 31.03.2021					
	Particulars	**Outstanding for following periods from due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i)	MSME	643.56	-	-	-	643.56
(ii)	Others	1,362.68	9.48	9.48	1.19	1,382.83
(iii)	Disputed dues – MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Total	**2,006.24**	**9.48**	**9.48**	**1.19**	**2,026.39**

NOTE 10 *Annexure-XIII*
OTHER CURRENT LIABILITIES *(Rs. In Lakhs)*

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
Salary payable	23.17	33.84	28.83	21.11
Bonus Payable	17.58			
Electricity Payables	-	-	8.23	7.79
CSR Payable	10.43			
Credit Card Payable (American Express Master Card)	-	5.47	0.12	-
TDS and TCS Payable	13.02	13.94	25.33	21.44
Audit fee payable	0.25	0.50	0.25	-
PF Payable	2.97	2.84	4.29	2.08
ESIC Payable	0.45	0.45	0.86	0.27
Expenses Payable	22.38	-	63.16	61.48
Flat Rent Deposit REC	0.50			
Professional Tax Co. Payable	0.03			
Professional Tax Payable	0.79	1.78	1.38	0.68
Interest accrued but not due	0.48	0.69	-	-
Total	**92.05**	**59.52**	**132.45**	**114.84**

NOTE 11
SHORT TERM PROVISIONS *Annexure-XIV*
(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
Provision for Income Tax	369.78	192.10	133.39	35.64
Provision for Gratuity (Refer Note - 26A)	0.02	0.02	0.01	0.01
Total	**369.81**	**192.12**	**133.41**	**35.64**

NOTE 13
OTHER NON CURRENT ASSETS *Annexure-XVI*
(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
a. Security Deposit				
For Others - Deposits with Government & Other Departments	246.40	229.02	192.01	147.92
Total	**246.40**	**229.02**	**192.01**	**147.92**

NOTE 14
INVENTORIES *Annexure-XVII*
(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
(As Valued & certified by the Management)				
Raw-materials	970.34	650.51	364.49	254.95
Trading material	385.61	352.82	-	-
Packing material	1,215.30	926.70	465.54	337.79
Stock-in-Progress	236.48	51.51	50.70	10.06
Finished Stock	60.50	385.77	332.33	80.36
Total	**2,868.23**	**2,367.31**	**1,213.07**	**683.17**

NOTE 15
TRADE RECEIVABLES *Annexure-XVIII*
(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
Unsecured, considered good				
Trade Receivables	5,913.80	4,931.13	3,206.79	2,338.16
Total	**5,913.80**	**4,931.13**	**3,206.79**	**2,338.16**

Trade Receivables ageing schedule 30.09.2023

Outstanding for following periods from due date of payment	Undisputed Trade receivables – considered good	Undisputed Trade Receivables – considered doubtful	Disputed Trade Receivables considered good	Disputed Trade Receivables considered doubtful	Total
Less than 6 months	5,716.27	-	-	-	5,716.27
6 months -1 year	122.71	-	-	-	122.71
1-2 years	18.88	-	-	-	18.88
2-3 years	5.51	48.67	-	-	54.18
More than 3 years	1.76	-	-	-	1.76
Total	**5,865.13**	**48.67**	**-**	**-**	**5,913.80**

Trade Receivables ageing schedule 2022-23

Outstanding for following periods from due date of payment	Undisputed Trade receivables – considered good	Undisputed Trade Receivables – considered doubtful	Disputed Trade Receivables considered good	Disputed Trade Receivables considered doubtful	Total
Less than 6 months	4,452.75	-	-	-	4,452.75
6 months -1 year	405.54	-	-	-	405.54
1-2 years	20.22	-	-	-	20.22
2-3 years	2.32	-	-	-	2.32
More than 3 years	1.63	-	48.67	-	50.30
Total	**4,882.46**	**-**	**48.67**	**-**	**4,931.13**

Trade Receivables ageing schedule 2021-22

Outstanding for following periods from due date of payment	Undisputed Trade receivables – considered good	Undisputed Trade Receivables – considered doubtful	Disputed Trade Receivables considered good	Disputed Trade Receivables considered doubtful	Total
Less than 6 months	2,801.41				2,801.41
6 months -1 year	339.44	-	-	-	339.44
1-2 years	13.95	-	-	-	13.95
2-3 years	1.66	-	48.67	-	50.33
More than 3 years	1.66	-	-	-	1.66
Total	**3,158.12**	**-**	**48.67**	**-**	**3,206.79**

Trade Receivables ageing schedule 2020-21

Outstanding for following periods from due date of payment	Undisputed Trade receivables – considered good	Undisputed Trade Receivables – considered doubtful	Disputed Trade Receivables considered good	Disputed Trade Receivables considered doubtful	Total
Less than 6 months	2,065.10	-	-	-	2,065.10
6 months -1 year	224.39	-	-	-	224.39
1-2 years			48.67	-	48.67
2-3 years		-	-	-	-
More than 3 years		-	-	-	-
Total	**2,289.49**	**-**	**48.67**	**-**	**2,338.16**

NOTE 16
CASH AND CASH EQUIVALENTS

Annexure-XIX
(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
a. Balances with banks				
- Current Accounts	38.55	20.99	11.87	1.78
- Term Deposits	291.97	332.73	267.39	164.07
b. Cash in hand (As certified by the management)	8.04	6.92	20.80	18.94
Total	**338.55**	**360.64**	**300.06**	**184.79**

NOTE 17
SHORT TERM LOANS AND ADVANCES

Annexure-XX
(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**As at 30.09.2023**	**As at 31.03.2023**	**As at 31.03.2022**	**As at 31.03.2021**
(Recoverable in Cash or in Kind or value to be received)				
b. Advances				
Balances with Government Authorities	533.43	575.63	563.78	376.62
Advance to Staff		85.33	8.98	0.08
Prepaid expenses		31.20	33.74	2.05
Insurance claim receivables		-	6.18	-
Accrued interest	-	1.35	0.63	
Advance to Others	166.23	39.65	19.74	-
Total	**699.66**	**733.15**	**633.05**	**378.75**

NOTE 18
REVENUE FROM OPERATIONS

Annexure-XXI
(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**For the half year ended 30.09.2023**	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
Sale of Products	6,940.93	11,451.91	9,165.50	7,340.17
Total	**6,940.93**	**11,451.91**	**9,165.50**	**7,340.17**

NOTE 19
OTHER INCOME

Annexure-XXII
(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**For the half year ended 30.09.2023**	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
Recurring and Related to Business				
Interest on Loan	0.41	0.72	0.65	0.57
Interest on FDR	6.10	15.28	51.56	5.55
Non- Recurring and Not Related to Business				
Miscellaneous Income	-	7.02	0.01	5.28
Insurance Claim Received	-	-	6.18	-
Flat Rent Received	0.99	0.54	-	-
Sundry Credit Balance written off	-	7.44	-	-
Subsidy Received	-	86.73	42.72	-
Total	**7.50**	**117.74**	**101.12**	**11.39**

NOTE 20
COST OF MATERIALS CONSUMED

Annexure-XXIII
(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**For the half year ended 30.09.2023**	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
Opening Stock of Raw materials	650.51	364.49	254.95	151.39
Add: Purchases of Raw Material	2,097.16	4,372.67	4,389.70	3,604.65
	2,747.67	4,737.17	4,644.65	3,756.04
Less: Closing Stock of Raw Materials	970.34	650.51	364.49	254.95
	1,777.33	4,086.66	4,280.16	3,501.09
Add: Direct expenses	407.61	705.76	633.37	416.03
	2,184.94	4,792.42	4,913.52	3,917.12
Opening Stock of packing material	926.70	465.54	337.79	178.86
Add: Purchases of packing material	1,664.17	3,097.00	2,766.81	1,426.71
	2,590.86	3,562.54	3,104.60	1,605.57
Less: Closing Stock of packing material	1,215.30	926.70	465.54	337.79
	1,375.57	2,635.84	2,639.06	1,267.77
Opening Stock of Trading materials	352.82	-	-	-
Add: Purchases of Trading materials	901.91	1,496.70	-	-
	1,254.73	1,496.70	-	-
Less: Closing Stock of Trading materials	385.61	352.82	-	-
	869.12	1,143.87		
Total	**4,429.63**	**8,572.13**	**7,552.59**	**5,184.89**

NOTE 21
Change in Inventories of Stock-in-Trade

Annexure-XXIV
(Rs. In Lakhs)

Particulars	*Consolidated*			Standalone
	For the half year ended 30.09.2023	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
Opening Stock (Finished WIP)	-	-	-	
Finished Goods	385.77	332.33	80.36	82.70
WIP Goods	51.51	50.70	10.06	23.35
Less: Closing Stock (Finished WIP)				
Finished Goods	60.50	385.77	332.33	80.36
WIP Goods	236.48	51.51	50.70	10.06
Total	**140.30**	**(54.24)**	**(292.61)**	**15.62**

NOTE 22
EMPLOYEE BENEFIT EXPENSE

Annexure-XXV
(Rs. In Lakhs)

Particulars	*Consolidated*			Standalone
	For the half year ended 30.09.2023	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
Salaries & Wages	232.36	352.92	257.16	218.41
Directors Remuneration	61.50	87.06	87.06	87.06
Incentive to Directors	-	-	-	20.00
Incentive staff	28.18			1.87
Stipend exp	6.55	13.66	8.30	-
Contribution to ESI & PF	11.19	17.85	15.73	13.94
Employees Welfare Expense	-	-	-	0.54
Gratuity Expenses (Refer Note 25A)	2.99	1.88	3.06	3.17
Total	**342.76**	**473.37**	**371.31**	**344.99**

NOTE 23
FINANCE COST

Annexure-XXVI
(Rs. In Lakhs)

Particulars	*Consolidated*			Standalone
	For the half year ended 30.09.2023	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
Interest expenses	138.55	197.09	181.79	114.60
Other Finance Charges	7.26	36.49	29.24	17.80
Total	**145.81**	**233.58**	**211.03**	**132.40**

NOTE 24
DEPRECIATION & AMORTIZATION EXPENSES

Annexure-XXVII
(Rs. In Lakhs)

Particulars	*Consolidated*			Standalone
	For the half year ended 30.09.2023	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
Depreciation on Property, Plant & Equipment	62.60	130.28	132.63	121.60
Total	**62.60**	**130.28**	**132.63**	**121.60**

NOTE 25
OTHER EXPENSES

Annexure-XXVIII
(Rs. In Lakhs)

Particulars	*Consolidated*			Standalone
	For the half year ended 30.09.2023	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
Advertisement	25.22	18.50	12.56	2.43
Auditors Remuneration * (Refer Details Below)	-	1.20	1.20	1.20
Bad Debts	-	-	-	18.21
Book and Periodical	-	-	0.33	-
Building Maintenance	2.07	2.75	6.02	9.03
Commission Exp	260.90	215.95	189.61	177.90
Consumables Exp	3.66		-	33.05
Travelling & Conveyance Expenses	5.88	92.88	43.30	26.18
Discount Allowed	45.40	53.41	3.43	0.18
Diwali Exp.	0.47	3.11	3.46	5.62
Donation	-	-	0.51	0.05
Drug Lab Charges (Govt.)	16.11	51.19	21.87	5.81
Factory Exp	0.17	-	-	-
Festival Exp.	0.08	1.13	-	-
Freight Exp GTA	0.37		-	15.29
Freight inward and outward	167.86	236.07	237.89	112.86
Freight load and cartage	-	-	2.74	13.40
Gratuity with LIC (STAFF)	0.73	3.35	5.35	4.31
Govt. miscs Recovery	0.51	1.25	2.13	-
Govt Penalty	81.73	68.79	-	-

Hammali at Factory	-	-	-	2.75
Income Tax Expense	11.05			
CSR Expenses	10.43			
VAT Expenses (old)	3.98			
Incentive sales	-	-	-	3.93
Labour Charges A/C	-	-	-	1.84
Late fees on GST	-	-	0.18	0.07
Insurance Expenses	54.37	13.86	6.34	32.16
Incentive on Sale	0.95			
Interest & Late fess on Statutory Dues	-	31.10	12.90	25.84
Liquidated Damages	83.45	204.19	104.77	97.54
Legal & Professional Fees	33.48	15.53	10.79	5.86
License and other fees	0.10			
Loading and Unloading Expenses	3.44	3.06	-	-
Office Maintenance	0.08	2.98	-	-
Other Exp	2.92	3.53	4.02	(0.65)
Office Expenses	8.58	5.67	4.69	4.74
Packing and Forwarding expenses	-	-	-	15.37
Penalty on GST	-	-	-	0.56
Postage Exp	127.50	285.30	103.79	160.43
Property Tax Expenses	0.03	5.04	-	-
Price Difference	(3.64)	85.31	-	0.86
Professional exp	17.98	43.59	33.26	57.94
Discount Allowed	-	-	-	173.00
Rates and Taxes	-	0.33	2.21	5.09
Round off	-			
Business promotion	-	-	-	15.92
Staff welfare	1.85	1.61	8.00	3.55
Staff Transportation Charges RCM 20-21	-	-	-	0.67
Staff Transportation Charges RCM 21-22	-	-	1.67	-
Staff Transportation Charges RCM 22-23	-	1.69	-	-
Tender fees	0.67	1.49	0.58	4.86
Testing and Handling Charges	-	-	-	5.94
tour exp	70.52	-	-	-
Vehicle Maintenance	0.83	3.71	2.64	0.30
Printing & Stationery	4.81	7.53	8.87	5.60
Professional tax co	0.03			
Rent Paid	10.37	7.03	0.51	0.90
Computer exp	2.80		-	-
Repair & Maintenance	1.89	8.21	2.48	18.21
Security Charges	4.76	10.56	9.44	8.95
Telephone Expenses	1.97	2.62	1.68	2.52
Preliminary expenses		-	1.90	-
Total	**1,066.33**	**1,493.50**	**851.09**	**1,091.86**

Details of Payment to Auditors** ***(Rs. In Lakhs)

	Consolidated			Standalone
Particulars	**For the half year ended 30.09.2023**	**For the year ended 31.03.2023**	**For the year ended 31.03.2022**	**For the year ended 31.03.2021**
For Statutory Audit	-	1.20	1.20	1.20
Total	**-**	**1.20**	**1.20**	**1.20**

ZENITH DRUGS PRIVATE LIMITED

NOTE 13

PROPERTY, PLANT & EQUIPMENTS *(Rs. In Lakhs)* *Annexure- XV*

As on 30.09.2023

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2023	Additions	Disposal	As at 30.09.2023	As at 01.04.2023	For the Year	Adjustment	As at 30.09.2023	As at 30.09.2023	As at 31.03.2023
Tangible Assets										
Land	394.71		26.46	368.25	0.00	0.00	0.00	0.00	**368.25**	394.71
Building and Flat no. 102	530.37	0.00000		530.37	193.51	16.04	0.00	209.56	**320.82**	336.86
Motor Vehicles	109.68			109.68	69.73	6.13	0.00	75.86	**33.82**	39.95
Motor Cycle Bajaj	0.37			0.37	0.27	0.01		0.29	**0.08**	0.09
Computers	29.56	2.77279		32.33	19.08	3.31	0.00	22.39	**9.94**	10.47
Security Camera	0.00			0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Air Conditioner	0.00			0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Electrical Fittings	57.95	0.00000		57.95	43.32	1.88	0.00	45.20	**12.75**	14.62
Furniture & Fittings	73.95			73.95	54.83	2.19	0.00	57.02	**16.92**	19.12
Trade mark	3.58			3.58	2.55	0.01	0.00	2.56	**1.03**	1.04
Office Equipment	6.87	1.97000		8.84	2.04	1.16		3.20	**5.64**	4.83
Television	0.00			0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Utensils	0.00			0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Plant & Machineries	729.34	5.51718		734.86	378.44	31.86	0.00	410.29	**324.57**	350.91
Total	**1936.37**	**10.26**	**26.46**	**1920.17**	**763.77**	**62.60**	**0.00**	**826.37**	**1093.81**	**1172.60**
Previous Year	**1680.79**	**557.10**	**301.52**	**1936.37**	**633.50**	**130.28**	**0.01**	**763.77**	**1172.58**	**1047.28**
Capital Work-inProgress#	**0.00**	**88.59**	**0.00**	88.59	0.00	0.00	0.00	0.00	**88.59**	0.00

As on 31.03.2023

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	Additions	Disposal	As at 31.03.2023	As at 01.04.2022	For the Year	Adjustment	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Tangible Assets										
Land	274.66	**120.05**	0.00	394.71	0.00	0.00	0.00	0.00	**394.71**	274.66
Building and Flat no. 102	528.02	303.55	301.20	530.37	158.31	35.20	0.00	193.51	**336.86**	369.71
Motor Vehicles	81.24	28.44	0.00	109.68	52.93	16.80	0.00	69.73	**39.95**	28.32
Motor Cycle Bajaj	0.37			0.37	0.24	0.03		0.27	**0.09**	0.13
Computers	19.58	9.98	0.00	29.56	16.02	3.06	0.00	19.08	**10.47**	3.55
Security Camera		0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Air Conditioner		0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Electrical Fittings	51.56	6.39	0.00	57.95	40.38	2.94	0.00	43.32	**14.62**	11.18
Furniture & Fittings	71.55	2.40	0.00	73.95	48.70	6.13	0.00	54.83	**19.12**	22.85
Trade mark	3.58	0.00	0.00	3.58	2.42	0.13	0.00	2.55	**1.04**	1.16
Office Equipment	1.02	6.17	0.32	6.87	0.04	2.01	0.01	2.04	**4.87**	0.97
Plant & Machineries	649.22	80.13	0.00	729.34	314.45	63.99	0.00	378.44	**350.85**	334.76
Total	**1680.79**	**557.10**	**301.52**	**1936.37**	**633.50**	**130.28**	**0.01**	**763.77**	**1172.58**	**1047.28**
Previous Year	**1422.78**	**258.01**	**0.00**	**1680.79**	**500.87**	**132.63**	**0.00**	**633.50**	**1047.28**	**921.91**
Capital Work-inProgress#	**266.20**	**35.00**	**301.20**	0.00	0.00	0.00	0.00	0.00	**0.00**	266.20

As on 31.03.2022

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	Additions	Disposal	As at 31.03.2022	As at 01.04.2021	For the year	Adjustment	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Tangible Assets										
Land	94.93	179.73	0.00	274.66	0.00	0.00	0.00	0.00	**274.66**	94.93
Building & Flat No 102	521.81	6.22	0.00	528.02	119.78	38.53	0.00	158.31	**369.71**	402.02
Motor Vehicles	81.24	0.00	0.00	81.24	40.42	12.51	0.00	52.93	**28.32**	40.83
Computers	**15.96**	**3.61**	**0.00**	**19.58**	**13.51**	**2.51**	**0.00**	**16.02**	**3.55**	**2.45**
Motor Cycle Bajaj	0.37	0.00	0.00	0.37	0.20	0.04	0.00	0.24	**0.13**	0.17
Air Conditioner	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Electrical Fittings	50.44	1.12	0.00	51.56	36.81	3.58	0.00	40.38	**11.18**	13.63
Furniture & Fittings	67.95	3.60	0.00	71.55	41.57	7.13	0.00	48.70	**22.85**	26.38
Office Equipment		1.02		1.02		0.04		0.04	**0.97**	
Trade Mark	3.58	0.00	0.00	3.58	2.25	0.17	0.00	2.42	**1.16**	1.33
Refrigeration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Plant & Machineries	586.50	62.72	0.00	649.22	246.33	68.11	0.00	314.45	**334.76**	340.17
Total	**1422.78**	**258.01**	**0.00**	**1680.79**	**500.87**	**132.63**	**0.00**	**633.50**	**1047.28**	**921.91**
Previous Year	**1019.06**	**403.72**	**0.00**	**1422.78**	**379.27**	**121.60**	**0.00**	**500.87**	**921.91**	**639.79**
Capital Work-inProgress#	**0.00**	**266.20**	**0.00**	266.20	0.00	0.00	0.00	0.00	**266.20**	0.00

As on 31.03.2021

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2020	Additions	Disposal	As at 31.03.2021	As at 01.04.2020	For the year	Adjustment	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Tangible Assets										
Land	94.93	0.00	0.00	94.93	0.00	0.00	0.00	0.00	**94.93**	94.93
Building	300.61	196.69	0.00	497.31	84.61	31.38	0.00	115.99	**381.31**	216.00
Flat No. 102	24.50			24.50	1.62	2.17		3.79	**20.71**	22.88
Motor Vehicles	76.44	4.80	0.00	81.24	23.18	17.24	0.00	40.42	**40.83**	53.26
Computers	14.04	1.93	0.00	15.96	11.08	2.43	0.00	13.51	**2.45**	2.96
Security Camera	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Motor Cycle Bajaj	0.37			0.37	0.14	0.06		0.20	**0.17**	0.23
Air Conditioner	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Electrical Fittings	48.38	2.06	0.00	50.44	32.68	4.13	0.00	36.81	**13.63**	15.70
Furniture & Fittings	58.69	9.26	0.00	67.95	34.01	7.56	0.00	41.57	**26.38**	24.68
Generator	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Refrigeration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
Plant & Machineries	397.52	188.99	0.00	586.50	189.93	56.41	0.00	246.33	**340.17**	207.59
Total	**1015.48**	**403.72**	**0.00**	**1419.20**	**377.24**	**121.38**	**0.00**	**498.62**	**920.58**	**638.24**
Intangible Assets										
TRADEMARK	3.58	0.00	0.00	3.58	2.03	0.22	0.00	2.25	**1.33**	1.55
Total	**3.58**	**0.00**	**0.00**	**3.58**	**2.03**	**0.22**	**0.00**	**2.25**	**1.33**	**1.55**
Grand Total	**1019.06**	**403.72**	**0.00**	**1422.78**	**379.27**	**121.60**	**0.00**	**500.87**	**921.91**	**639.79**
Previous Year	**0.00**	**0.00**	**-**	**0.00**	**0.00**	**0.00**	**-**	**0.00**	**0.00**	**0.00**
Capital Work-inProgress#	**0.00**	**301.20**	**301.20**	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00
					379.27					

#Capital WIP ageing schedule **0.00**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
As at 31.03.2023	35.00	266.20	0.00	0.00	301.20

As at 31.03.2022	266.20	0.00	0.00	0.00	266.20
As at 31.03.2021	0.00	0.00	0.00	0.00	0.00

Zenith Drugs Private Limited
CIN No. U24231MP2000PTC014465

STATEMENT OF PRINCIPAL TERMS OF LOANS AND ASSETS CHARGED AS SECURITY

	Name of Lender/Fund	Nature of Facility	Date of Issue	Sanctioned Amount (In Lakhs Rs.)	Collateral Security	Repayment Period	Re-Payment Period	Rate of Interest	Outstanding amount (In Lakhs Rs.) as on (as per Books) 30-09-2023
	Secured Loans								
1	HDFC Bank Term Loan 83006168	Term Loan	29-12-2022	270.00	Primary Security as Stock, Book debts, Fixed Deposits and Collateral Security as Plant & Machinery, Fixed Deposit and Guarantee	Repayble in 67 equal installments of Rs. 5,18,817/-	67 months	8.75%	6.31
2	HDFC Bank Term Loan 83695222	Term Loan	29-12-2022	100.00		Repayble in 59 equal installments of Rs. 2,20,216/- after 1st five installment of Rs.1,02,553/-	59 months	8.75%	9.29
3	HDFC Bank Loan Eclgs-8111113	Term Loan	29-12-2022	157.51		Repayble in 48 equal installments of Rs. 1,08,290/- from 07/08/20 to 07/06/21 and Rs. 4,95,404/- from 07/07/21 to 07/06/24	48 months	9.25%	43.32
4	Small Industries Development Bank of India - D000376W	Term Loan	25-02-2021	250.00	Primary Security as Equipments, Plant & Machinery and Other Assets which are acquired under this project and also the personal guarantee of Sandeep Bharadwaj, Bhupesh Soni and Ajay Singh Dasundi and Secondary Security as FDR of Rs.80 Lakhs in favour of SIDBI	Repayble in 54 equal installments of Rs. 4,60,000/-	54 months	8.10%	135.64
5	PNB Housing Finance - 676544	Term Loan	13-09-2019	15.45	Plot No.184 at Kanchan Vihar , Gram Niranjanpur, Indore-452001	Repayble in 180 equal installments of Rs. 16,415/-	180 months	9.65%	13.27
6	HDFC Bank Innova Crystra 2.4 Loan A/C - 95710163	Vehicle Loan	28-10-2019	21.00	Innova Crysta Car	Repayble in 60 equal installments of Rs. 43,695/-	60 months	9.00%	5.82
7	HDFC Bank Eicher Loan - 67300823	Vehicle Loan	25-04-2019	15.30	Eicher Vehicle	Repayble in 48 equal installments of Rs. 39,241/-	48 months	10.56%	-
8	HDFC ECLGS Loan A/C - 453034887	Term Loan	14-04-2022	140.19	Primary Security as Stock, Book debts,	Repayble in 61 equal installments of Rs. 1,08,063/-	61 months	9.25%	140.19
9	HDFC Innova Loan 129446198	Vehicle Loan	30-04-2022	24.50	Innova Car	Repayble in 60 equal installments of Rs. 49,093/-	60 months	7.44%	18.93
10	Punjab National Bank Loan - 069900CN00000023	Term Loan		300.00	1st Charge on Industrial Land and Proposed Construction thereon at S. No. 72/4, 72/3, 74/1/1, 75/1/1, Ph No. 40, New No. 85, Dhar Road, Near Kalaria, Gram Muradpura, Dist Indore 2nd Charge on Entire stock of Raw material, WIP, Stores & Spares, Packing Matetrial, Finished Goods, Book Debts and all other current assets	Repayable in 72 equal installments after the end of Moratorium period of 12 months.	72 months	9.75%	37.96
11	DBS Bank India Limited	OD	04-01-2023	1,000.00	Primary security as Current Assets & Movable Fixed Assets of company and Collateral Security of i) Land Bearing Survey No.72/1 at Village Muradpura, Tehsil Depalpur, Indore ii) Land Bearing Survey No.74/1/1 & 75/1/1 & 72/3 & 72/1 at Village Muradpura, Tehsil Depalpur, Indore	Repayable on Demand		9.00%	-
12	Punjab National Bank - 0699008700003165	CC	31-01-2023	1,000.00	Primary Security with HDFC Bank as present & future current assets and Collateral Security as Counter Indemnity of borrower and Margin 15% in form of FDR	Repayable on Demand		9.75%	1,067.20
13	Working Capital repayable on Demand from HDFC Bank - 50200029987005	OD	13-03-2018	899.00	Primary Security as Stock, Book debts, Fixed Deposits and Collateral Security as Plant & Machinery, Fixed Deposit and Guarantee	Repayable on Demand		8.75%	872.78
									2,350.72

Zenith Drugs Private Limited
CIN No. U24231MP2000PTC014465

STATEMENT OF PRINCIPAL TERMS OF LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender/Fund	Nature of Facility	Date of Issue	Sanctioned Amount (In Lakhs Rs.)	Collateral Security	Repayment Period	Re-Payment Period	Rate of Interest	Outstanding amount (In Lakhs Rs.) as on (as per Books)
								30-09-2023
From Directos & Shareholders								
Rajendra Singh Dassundi	Unsecured Loan							15.73022
Ajay Singh Dassundi	Unsecured Loan							30.37968
Anjali Dassundi	Unsecured Loan							44.86332
Bhupesh Soni	Unsecured Loan							40.43356
Jaywanti Soni	Unsecured Loan							61.23429
Lad Kunwar Dassundi	Unsecured Loan							27.94344
Priyanka Bharadwaj	Unsecured Loan							32.91026
Sandeep Bharadwaj	Unsecured Loan							141.12241
Saroj Bharadwaj	Unsecured Loan							37.95064
Saroj Soni	Unsecured Loan							64.2195
Anshul Chouhan	Unsecured Loan							55.3
								552.09
Total								**2,902.81**

Annexure - IV

ADDITIONAL NOTES TO RESTATED FINANCIAL INFORMATION

NOTE 26A- GRATUITY

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services is entitled to gratuity on terms as per the provisions of the Payment of Gratuity Act,1972. The scheme is unfunded.

Amount in Rs. Lakhs

Particulars	30-09-2023	31-03-2023	31-03-2022	31-03-2021
i) Net employee expense/(benefit).				
Current service cost	2.18	3.59	3.54	3.16
Interest cost on benefit obligation	0.32	0.49	0.25	0.03
Past service cost	-	-	-	-
Net Actuarial (gain)/loss recognized in the year	0.49	(2.20)	(0.74)	(0.02)
Total employer expenses recognized in the Statement of Profit and Loss	**2.99**	**1.88**	**3.06**	**3.17**
ii) Benefit Asset/(Liability)				
Defined benefit obligation	11.58	8.59	6.72	3.66
Fair Value of plan assets	-	-	-	-
Benefit Asset/ (liability)	**11.58**	**8.59**	**6.72**	**3.66**
ii) Benefit Asset/(Liability)				
Current Liability	0.02	0.02	0.01	0.01
Non-Current Liability	11.55	8.58	6.70	3.65
Benefit Asset/ (liability)	**11.58**	**8.59**	**6.71796**	**3.66**
iii) Movement in benefit liability				
Opening defined benefit obligation	8.59	6.72	3.66	0.49
Current service cost	2.18	3.59	3.54	3.16
Interest Cost	0.32	0.49	0.25	0.03
Plan Amendments Cost/(Credit)	-	-	-	-
Benefits paid	-	-	-	-
Actuarial (gains)/losses on obligation	0.49	(2.20)	(0.74)	(0.02)
Closing benefit obligation	**11.58**	**8.59**	**6.72**	**3.66**
iv) The principal actuarial assumption are as follows				
Discount rate	7.45%	7.45%	7.24%	6.79%
Salary increase	8.00%	8.00%	8.00%	8.00%
Withdrawal rates	10.00% for all years	10.00% for all years	10.00% for all years	10.00% for all years
Normal age of retirement	58 Years	58 Years	58 Years	58 Years
v) Amounts for the current year and previous period are as follows	**30-09-2023**	**31-03-2023**	**31-03-2022**	**31-03-2021**
Gratuity				
Defined Benefit Obligation	11.58	8.59	6.72	3.66
Plan Assets	-	-	-	-
Surplus/(Deficit)	-	-	-	-
Experience adjustments on plan liabilities	**11.58**	**8.59**	**6.72**	**3.66**

NOTE 26B- DEFERRED TAX

Particulars		30.09.2023	2022-2023	2021-2022	2020-21
WDV of Depreciable Assets as per Companies Act, 2013		1,093.81	1,172.58	1,047.28	921.91
WDV of Depreciable Assets as per Income Tax Act, 1961		802.17	1,014.61	959.33	814.89
Differential Net Timing Difference	**[A]**	291.64	157.97	87.95	107.02
Unabsorbed Losses	[B]				-
Provision for Gratuity	[C]	11.58	8.59	6.72	3.66
Substantively Enacted Tax Rate	[D]	25.17%	25.17%	27.82%	27.82%
Closing Net Deferred Tax Liability	**[(A+B+C) X D]**	76.31	41.92	26.34	30.79
Opening Net Deferred Tax Liability		41.92	26.34	30.79	10.75
Reversal of Deferrred Tax Liability		-	-	-	-
Deferred Taxes (Debited) / Credited to the Statement of Profit & Loss		34.39	15.58	(4.46)	20.04
Closing Balance in deffered Tax Assets(+) Liabilities(-)		**76.31**	**41.92**	**26.34**	**30.79**

NOTE 26C - BASIC AND DILUTED EARNINGS PER SHARE

Particulars		30.09.2023	2022-2023	2021-2022	2020-2021
Profit after Tax	Rs. In Lakhs	539.38	515.29	312.86	302.92
Present Number of equity shares of Rs. 10/- each	Nos.	1,20,00,000.00	4,00,000.00	4,00,000.00	4,00,000.00
Weighted average number of Equity shares	Nos.	1,20,00,000.00	4,00,000.00	4,00,000.00	4,00,000.00
Basic earnings per share	Rupees	4.49	128.82	78.22	75.73
Diluted Earning per Share	Rupees	4.49	128.82	78.22	75.73

NOTE 26D - Earning and Expenditure in Foreign curreny

Earnings in Foreign Currency - Nil. (Previous year Nil)
Expenditure in Foreign Currency - Nil (Previous Yea- NIL)

NOTE 26E- Company has not received the declaration from its all vendors regarding their status under Micro, Small and Medium Enterprises

Medium Enterprises Development Act, 2006 and hence disclosures has been made only for the parties from whome the declaration has been received. In respect of other vendors from whom declaration has not been received disclosure has not been made for those which have not been received disclosure has not been made.

NOTE 26F -

The company has changed its accouting policy, w.r.t employee benefit as gratuity with effect from 01.04.2019, from payment basis to accrual basis as per acturial valuation report for the compliance of AS-15 issues by the ICAI. Due to such change gratuity liability as on 31.03.2023 amouting to Rs 8.59 lakhs has been adjusted with surplus in statement of profit & loss under the head reserve & surplus and thereafter gratuity expenses is provided as current year expenses in the statement of profit & loss.

NOTE 26G -

Medium Enterprises Development Act, 2006 and hence disclosures has been made only for the parties from whome the declaration has been received. In respect of other vendors from whom declaration has not been received disclosure has not been made for those which have not been received disclosure has not been made.

NOTE 26H - Party's Balance with respect to the Trade Receivables, Trade & Other Payables, Loans & advances are subject to confirmation/reconciliation. In the opinion of management , the same are receivable/ payable as stated in the books of accounts. Hence, no effect on the profitability due to the same for the year under review.

NOTE 26I - COVID-19, a global pandemic has resulted in a significant decrease in the economic activities across the world including India. This has affected activities of organizations across the economic ecosystem impacting earnings prospects of Companies on Property, Plant and Equipment, Inventory, Production activities & Current Assets including Trade Receivables in the sector in which the company operates.
The management has carried out current assessment of the potential impact of Covid-19 on the company and is of the view that there is no impact on the Property, Plant and Equipment, Inventory, Production activities & Current Assets including Trade Receivables. The company's capital and liquidity position remain strong to sustain its operations and there have been no changes to the company's internal financial control during this pandemic.
However, the impact assessment is continuous process and will continue to monitor for any material changes to the future economic conditions.

NOTE 26J - Previous year's figure have been regrouped/rearranged whenever necessary to conform to the current year's presentation.

For Badaya & Co.
Chartered Accountants
FRN: 006395C

Sd/-
Rohit Badaya
(Partner)
Membership No. 078599
0-Jan-00

Place: Jaipur
Date: 24.01.2024

For & on behalf of the board of directors,

Sd/-
Sandeep Bhardwaj
Managing Director & CFO
DIN: 00539347

Sd/-
Bhupesh Soni
Director
DIN: 00539355

Sd/-
Sakshi Bhawsar
Company Secretary & Compliance Officer

STATEMENT OF RELATED PARTY TRANSACTIONS

Annexure XXIX

A. List of Related parties

Sl. No.	Name	Relation
	Key Mangerial Personnel	
1	Mr. Bhupesh Soni	Director
2	Mr. Sandeep Bhardwaj	Director
3	Mr. Ajay Singh Dasundi	Director
	Relative of Key Mangerial Personnel	
4	Mrs. Jaywanti Soni	Relative of KMP
5	Mrs. Priyanka Bhardwaj	Relative of KMP
6	Mrs. Anjali Dasundi	Relative of KMP
7	Mrs. Saroj Soni	Relative of KMP
8	Mrs. Saroj Bhardwaj	Relative of KMP
9	Mrs. Lad Kuwar Dasundi	Relative of KMP
10	Mrs. Rajni Pachori	Relative of KMP
11	Mr. Rajendra Singh Dasundi	Relative of KMP
	Enterprises having Significant Influence	
12	M/s Biohenesis Corp	KMP have significant influence over the entity
13	M/s Premier Product	KMP have significant influence over the entity
14	M/s Probiotech	KMP have significant influence over the entity
15	M/s Maa Jagdamba Pharma	KMP have significant influence over the entity
16	My Med Pvt Ltd.	Subsidiary Company

AS ON 30.09.2023

A. Transactions with Related Parties during the year Nature of Transactions	Director	Relative of KMP	Subsidiary Company	KMP have significant influence over the entity
Remuneration Paid	61.50	16.20		
Loan Taken	-	-	-	
Loan Taken Refunded				
Loan Given	0.16	-		
Loan refund received			-	
Interest Received	11.98	16.22		
Sales				549.02
Purchase				7.38

B. Outstanding Balances Nature of Transactions	Director	Relative of KMP	Subsidiary Company	KMP have significant influence over the entity
Remuneration Payable				
Loan Taken	210.34	284.85		
Loan Given			62.15	

AS ON 31.03.2023

A. Transactions with Related Parties during the year Nature of Transactions	Director	Relative of KMP	Subsidiary Company	KMP have significant influence over the entity
Remuneration Paid	87.06	32.40		
Loan Taken	70.21	47.32	20.82	
Loan Taken Refunded				
Loan Given	33.78	28.84		
Loan refund received			20.82	
Interest Received	15.33	26.46		
Sales				1,532.89
Purchase				200.58

B. Outstanding Balances Nature of Transactions	Director	Relative of KMP	Subsidiary Company	KMP have significant influence over the entity
Remuneration Payable				
Loan Taken	199.71	270.26		
Loan Given			62.15	

AS ON 31.03.2022				
A. Transactions with Related Parties during the year **Nature of Transactions**	**Director**	**Relative of KMP**	**Subsidiary Company**	**KMP have significant influence over the entity**
Remuneration Paid	87.06	33.33		
Loan Taken	48.4		77.85	
Loan Given	57.1	6.07		
Loan refund received			141.16	
Interest Received	17.82	24.61		
Investment in shares			2.55	
Sales			0.06	2,465.75
Purchase				140.90
B. Outstanding Balances **Nature of Transactions**	**Director**	**Relative of KMP**	**Subsidiary Company**	**KMP have significant influence over the entity**
Remuneration Payable				
Loan Taken	147.95	225.32		
Loan Given			63.31	
AS ON 31.03.2021				
A. Transactions with Related Parties during the year **Nature of Transactions**	**Director**	**Relative of KMP**	**Subsidiary Company**	**KMP have significant influence over the entity**
Remuneration Paid	107.06	33.12		
Loan Taken	97.92	153.00		
Loan Given	70.39	-		
Interest Received	11.50	18.80		
Sales				2,072.52
Purchase				58.55
B. Outstanding Balances **Nature of Transactions**	**Director**	**Relative of KMP**	**Subsidiary Company**	**KMP have significant influence over the entity**
Loan Taken	140.62	209.22		

Annexure XXX

Restated Statement of Adjustments to Audited Financial Statements

(i) Reconciliation of Restated Profit:

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company

Particulars	For the half year ended 30th Sep '23	For the year ended 31st March'23	For the year ended 31st March'22	For the year ended 31st March'21
Profit after tax as per audited/ re-audited financial statements	567.71	488.03	319.33	306.65
(i) Adjustments on account of change in accounting policies:	-	-	-	-
(ii) Other material adjustments:	-	-	-	-
Other income	39.67	-	-	-
Employee benefit expenses - Gratuity	(2.99)	(1.88)	(3.06)	(3.17)
Depreciation and amortization expense	0.71	0.26	1.08	0.52
Finance cost	-	-	-	-
Other expenses	-	56.98	4.49	2.83
Income tax adjustments related to earlier years	2.03	(7.40)	(8.08)	(0.81)
Deferred tax adjustment	(38.09)	(20.70)	(0.90)	(3.10)
Preliminary Exps written off	-	-	-	-
(iii) Audit Qualifications:	-	-	-	-
Restated profit after tax	**569.05**	**515.29**	**312.86**	**302.92**

(ii) Reconciliation of Restated Shareholders Funds:

The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company.

Particulars	As at 30th Sep.'23	As at 31st March'23	As at 31st March'22	As at 31st March'21
Shareholder's funds as per Audited/ Re-audited financial statements	**2,341.04**	**1,772.15**	**1,284.09**	**963.80**
(i) Adjustments on account of change in accounting policies:	-	-	-	-
(ii) Differences carrired over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	(47.73)	(74.99)	(68.52)	(64.80)
(iii) Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	1.34	27.26	(6.47)	(3.72)
(iv) Other material adjustments # :	-	-	-	-
Employee benefit expenses	-	-	-	-
Depreciation and amortization expense	-	-	-	-
Finance cost	-	-	-	-
Income tax adjustments related to earlier years	-	-	-	-
Goodwill Written off				-
Deferred tax adjustment	-	-	-	-
Prelimianry Exps Adjustment	-	-	-	-
(v) Audit Qualifications:	-	-	-	-
Restated Shareholder's funds	**2,294.65**	**1,724.41**	**1,209.10**	**895.27**

Annexure XXXI

STATEMENT OF CAPITALISATION

PARTICULARS	Pre-Offer 31.03.2023	Post-Offer 31.03.2023
Debt		
- Short Term Debt	1,578.88	
- Long Term Debt	1,026.15	
Total Debt	**2,605.03**	**-**
Shareholders' Fund (Equity)		
- Share Capital	40.00	-
- Reserves & Surplus	1,684.42	-
Total Shareholders' Fund (Equity)	**1,724.42**	**-**
Long Term Debt / Equity (In Ratio)	0.60	-
Total Debt / Equity (In Ratio)	1.51	-

Notes:-

1. Short Term Debts represent which are expected to be paid/payable within 12 months and exclude installments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2023
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.

Annexure XXXII

OTHER FINANCIAL INFORMATION

Particulars	As at 30.09.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Net Worth **(A)**	2,264.96	1,724.42	1,209.09	895.27
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	959.82	967.14	683.12	702.82
Restated Profit after tax	540.55	515.33	313.82	302.92
Add: Prior Period Item	-	-	-	-
Adjusted Profit after Tax**(B)**	540.55	515.33	313.82	302.92
Number of Equity Share outstanding as on the End of Year/Period **(C)**	1,20,00,000	4,00,000	4,00,000	4,00,000
Weighted average no of Equity shares as on the end of the period year**(D)**				
- Pre Bonus (D(i))	1,20,00,000	4,00,000	4,00,000	4,00,000
- Post Bonus (D(ii))	1,20,00,000	1,20,00,000	1,20,00,000	1,20,00,000
Face Value per Share	10.00	10.00	10.00	10.00
Restated Basic & Diluted Earnings Per Share (Rs.) **(B/D)**				
- Pre Bonus (B/D(i))	4.50	128.83	78.46	75.73
- Post Bonus (B/D(ii))	4.50	4.29	2.62	2.52
Return on Net worth (%) **(B/A)**	23.87%	29.88%	25.96%	33.84%
Net asset value per share **(A/D(i)) (Pre Bonus)**	18.87	431.10	302.27	223.82
Net asset value per share **(A/D(ii)) (Post Bonus)**	18.87	14.37	10.08	7.46

Notes:-

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares outstanding at the end of the year / period}}$$

(ii) Net Asset Value (NAV) per Equity Share

$$\frac{\text{Restated Net Worth of Equity Share Holders}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

(iii) Return on Net worth (%)

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Restated Net Worth of Equity Share Holders}}$$

2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses less other income Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.

5. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

Annexure XXXIII

RESTATED STATEMENT OF TAX SHELTER

Particulars	As at 30.09.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Net Profit/(Loss) before taxes (A)	758.91	721.02	440.59	460.21
Tax Rate Applicable %	25.17%	25.17%	27.82%	27.82%
Minimum Alternate Taxes (MAT)	0.00%	0.00%	16.69%	16.69%
Adjustments				
Add: Depreciation as per Companies act	62.60	130.28	132.63	121.60
Add: Disallowance under Income Tax Act, 1961	21.95	17.19	14.95	25.94
Less: Taxable under other heads of income			-	-
Less: Depreciation as per Income Tax Act, 1961	107.84	112.96	113.04	114.40
Less: Deductions under Income Tax Act, 1961				-
Less : Deffered Tax Credit Adjuted for computation of Tax under 115JB of Income Tax Act	(34.39)	(15.58)	4.46	(20.04)
Net Adjustments(B)	**(23.29)**	**34.51**	**34.54**	**33.14**
Business Income (A+B)	**735.62**	**755.53**	**475.13**	**493.34**
Income from Capital Gains				
Sale Consideration	-	-	-	-
Less: Cost of Accquisition	-	-	-	-
Long/ Short Term Capital Gain	-	-	-	-
Less: Brought Forward Capital Gain	-	-	-	-
Income from Other Sources (Interest Income)	-	-	-	-
Interest on Income Tax Refund	-	-	-	-
Interest on security Deposit	-	-	-	-
Damages and claims received	-	-	-	-
Gross Total/ Taxable Income	735.62	755.53	475.13	493.34
Less: Deductions U/S 80JJAA			-	
Net Total/ Taxable Income	**735.62**	**755.53**	**475.13**	**493.34**
Unabsorbed Depreciation	-	-	-	-
Tax Payable as per Normal Rate	185.14	190.15	132.18	137.25
Tax Payable as per Special Rate:	-	-	-	
Interest payable on above	-	-	-	-
Tax as per Income Tax (C)	185.14	190.15	132.18	137.25
Adjusted Book Profits for Computation of MAT U/s 115JB				-
Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961	-	-	73.53	76.81
Interest Payable on above	-	-		-
Ta as per MAT (D)	-	-		-
Net Tax (Higher of C & D)	**185.14**	**190.15**	**132.18**	**137.25**
Current tax as per restated Statement of Profit & Loss	**185.14**	**190.15**	**132.18**	**137.25**

Annexure - XXXIV

RESTATED STATEMENT OF CONTINGENT LIABILITIES

Particulars	As at 30.09.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Claims against the company not acknowledged as Debts	Not Available	Not Available	Not Available	Not Available
Bank Guarantee (Financial)	NIL	NIL	NIL	NIL
Bank Guarantee (Performance)	NIL	NIL	NIL	NIL
Income Tax Demand	23.03	22.72	NIL	NIL
TDS Demand	2.48	1.97	NIL	NIL
Sales Tax Demand	NIL	NIL	NIL	NIL
Other moneys for which the Company is contingently liable	NIL	NIL	NIL	NIL
Commitments (to the extent not provided for)	NIL	NIL	NIL	NIL
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL	NIL	NIL
Uncalled liability on shares and other investments partly paid	NIL	NIL	NIL	NIL
Other commitments	NIL	NIL	NIL	NIL
Total	**25.51**	**24.69**	**NIL**	**NIL**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements as Restated, for the period ended on September 30, 2023 and financial years ended March 31, 2023, 2022 and 2021 including the related notes and reports, included in this Red Herring Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these Forward-Looking Statements as a result of certain factors such as those described under chapters titled "Risk Factors" and "Forward Looking Statements" beginning on pages 28 and 22, respectively of this Red Herring Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

Our company is a manufacturer of Pharmaceutical Products and operates all over in India in generic products. We at Zenith are a reputable pharmaceutical manufacturing unit, dedicated to ensuring the highest quality standards. We are proud to be WHO-GMP compliant, adhering to the stringent guidelines set by the World Health Organization. Our commitment to quality is further demonstrated by our ISO 9001:2015 certification, obtained from a respected Euro-UK certification body

Our Company offer a wide range of medicines to meet the needs of patients. Our product lines include: Liquid Orals, Ointments, ORS Powder, Liquid Externals and Capsules. Each formulation is carefully developed to deliver efficacy, safety, and affordability, making quality healthcare accessible to all. Building upon our commitment to excellence, we have completed two expansions within the same facility to accommodate the growing demand for our products. These expansions have allowed us to scale our operations, increase production capacity, and introduce new formulations. Through these strategic investments and expansions, we strive to continuously improve our manufacturing infrastructure, enhance product quality, and meet the evolving needs of healthcare professionals and patients.

For more details kindly refer our chapter titled "***Our Business***" on page 111 of this Red Herring Prospectus.

Significant Developments Subsequent to The Last Financial Year

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the previous twelve months except:

- The company increased its's Authorised equity share capital from ₹2,40,00,000.00 to ₹22,40,00,000.00 vide resolution passed in its members meeting dated August 21, 2023.

- Our Company was converted from a private limited company to public limited company vide resolution passed in its members meeting dated September 05, 2023 and a fresh certificate of incorporation consequent to conversion was issued on September 13, 2023 by the Registrar of Companies, Gwalior bearing Corporate Identification Number U24231MP2000PLC014465.

- The Board of our Company has approved to raise funds through initial public offering in the Board meeting held on September 16, 2023.

- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on September 16, 2023.

- The Company issued 1,16,00,000 bonus Equity Shares in the proportion of 29:1 (Twenty-Nine) fully paid equity share of ₹10.00 each allotted against 1(One) Equity Shares of ₹10.00 each vide resolution passed in its members meeting dated September 16, 2023.

Factors Affecting Our Results of Operations

Our company's future results of operations could be affected potentially by the following factors:

Our business is subjected to various risks and uncertainties, including those discussed in the section titled '***Risk Factors***' beginning on page 28 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

10. Experienced Promoters and Management Team
11. Cost Efficiency
12. Formulation & Development
13. Regulatory Compliance
14. Global Reach
15. Product Portfolio
16. Supply Chain Efficiency
17. Scalable Business Model
18. Strong sales, marketing, and distribution capabilities

Key Performance Indicators of our Company

The following table set forth certain key performance indicators for the years indicated:

Key Financial Performance	September 30, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations[(1)]	6,940.93	11,451.91	9,165.50	7,340.17
EBITDA[(2)]	959.82	967.14	683.12	702.82
EBITDA Margin[(3)]	13.83%	8.45%	7.45%	9.57%
PAT	540.55	515.33	313.82	302.92
PAT Margin[(4)]	7.79%	4.50%	3.42%	4.13%
Networth[(5)]	2,264.96	1,724.42	1,209.09	895.27
RoE %[(6)]	27.10%	35.13%	29.83%	40.73%
RoCE% [(7)]	28.71%	37.29%	30.08%	36.52%

Notes:
[(1)] Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements
[(2)] EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
[(3)] 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
[(4)] 'PAT Margin' is calculated as PAT for the period / year divided by revenue from operations.
[(5)] Networth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.
[(6)] Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
[(7)] Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long term borrowings.

For further detail on Key Performance Indicators of our company, please refer Chapter Titled "***Basis of Issue Price***" on page 89 of this Red Herring Prospectus.

STATEMENT OF SIGNIFICANT POLICIES

Note 1- Significant Accounting Policies:

Corporate Information:

The Company was originally formed & incorporated as a Private Limited Company in the state of Madhya Pradesh under the Companies Act, 1956 in name and style of "Zenith Drugs Private Limited" vide certificate of incorporation dated November 15, 2000 bearing Corporate Identity Number U24231MP2000PLC014465 issued by the Registrar of Companies, Gwalior. Subsequently, company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on September 05, 2023 and the name of the company was changed to Zenith Drugs Limited pursuant to issuance of Fresh Certificate of Incorporation dated by September 13, 2023 Registrar of Companies, Gwalior with Corporate Identification Number is U24231MP2000PLC014465.

1.1 Basis of preparation of financial statements

a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.

b) The financial statements are prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Companies Act, 2013.

c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

d) The Company holds 51% of My Med Private Limited in FY 2021-22, hence Restated Consolidated Financial statements has been prepared for FY 2021-22 and 2022-23 as per Accounting standard -21.

1.2 Revenue Recognition

(a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(b) Sale of goods is recognised on dispatch to customers. Sales are net of return, excise duty and Sales Tax / VAT / GST. The company collects VAT / GST on behalf of the Government and therefore there are not economic benefits following to the company hence they are excluded from the revenue.

(c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

1.3 Property, Plant & Equipment and Intangible Assets & Depreciation

(a) The tangible items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any, using the cost model as prescribed under Accounting Standard, AS-10 "Property, Plant & Equipment". Cost of an item of property, plant and equipment comprises of the purchase price, including import duties, if any, non-refundable purchase taxes, after deducting trade discounts and rebates, and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible assets comprises its purchase cost and any directly attributable expenditure on making the assets ready for its intended use and net of any trade discounts and rebates. Subsequently expenditure on an intangible assets after it generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the cost of the assets.

1.4 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

1.5 Investments

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

1.6 Inventories

Raw material, Packing material and consumable goods are valued at cost including procurement expenses, Finished goods are valued at lower of cost or market price. Cost of Finished goods are determined by taking material, labour, manufacturing and related factory and other overheads excluding depreciation.

1.7 Employee Benefits

(i) Short-term employee benefits:

Short term employee benefits are recognised as an expense at the undiscounted amounted in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognised as expenses in the period in which the employee renders the related service.

(ii) Post employment benefits:

Defined Contribution Plan

The Company has Defined Contribution Plans for Post employment benefits in the form of Provident Fund for all employees which are administered by Regional Provident Fund Commissioner. Provident Fund and Employee State Insurance are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

Defined benefit Plans

Unfunded Plan: The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity.

Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

1.8 Borrowing Costs

(a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

1.9 Taxes on Income

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

1.10 Earnings per Share (EPS)

(a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.11 Prior Period Items

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements.

1.12 Provisions / Contingencies

(a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

(b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

(c) A Contingent Asset is not recognized in the Accounts.

1.13 Segment Reporting

1. Business Segments:

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment, which is Sale of Goods and services relating to Medicines. Accordingly, the figures appearing in these financial statements relate to the Company's single Business Segment.

2. Geographical Segments:

The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

1.14 Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit / loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

Discussion on Results of Operation

The following discussion on results of operations should be read in conjunction with the Restated Financial Results of our Company for the period ended on September 30, 2023 and financial year ended on March 31, 2023, 2022 and 2021.

Results of Our Operations

The following table sets forth select financial data from our Consolidated Financial Statements as Restated of Profit and Loss for the period ended on September 30, 2023 and financial years ended on March 31, 2023, 2022 and 2021 the components of which are also expressed as a percentage of total revenue for such periods:

(Amount in ₹ Lakhs)

Particulars	**30/09/2023**	***% of total income***	**31/03/2023**	***% of total income***	**31/03/2022**	***% of total income***	**31/03/2021**	***% of total income***
Revenue from Operations	6,940.93	99.89%	11,451.91	98.98%	9,165.50	98.91%	7,340.17	99.85%
Other income	7.50	0.11%	117.74	1.02%	101.12	1.09%	11.39	0.15%
Total Revenue (A)	**6,948.43**	**100.00%**	**11,569.65**	**100.00%**	**9,266.63**	**100.00%**	**7,351.57**	**100.00%**
Expenses:								
Cost of Material Consumed	4,429.63	63.75%	8,572.13	74.09%	7,552.59	81.50%	5,184.89	70.53%
Changes in Inventories	140.30	2.02%	-54.24	-0.47%	-292.61	-3.16%	15.62	0.21%
Employee benefits expense	342.76	4.93%	473.37	4.09%	371.31	4.01%	344.99	4.69%
Other expenses	1,066.33	15.35%	1,493.50	12.78%	851.09	9.07%	1,091.86	14.81%
Total Expenses (B)	**5,979.01**	**86.05%**	**10,484.76**	***90.62%***	**8,482.38**	***91.54%***	**6,637.36**	**10,484.76**

Earnings Before Interest, Taxes, Depreciation & Amortization(C=A-B)	**969.42**	**13.95%**	**1,084.88**	**9.38%**	**784.24**	**8.46%**	**714.21**	**1,084.88**
Finance costs (D)	145.81	2.10%	233.58	2.02%	211.03	2.28%	132.40	1.80%
Depreciation and amortization expenses (E)	62.60	0.90%	130.28	1.13%	132.63	1.43%	121.60	1.65%
Profit before exceptional items, extraordinary items and tax (F=C-D-E)	**761.01**	***10.95%***	**721.02**	**6.23%**	**440.59**	**4.75%**	**460.21**	**6.26%**
Exceptional Items	2.10	0.03%						
Prior period item- Gratuity Provision for earlier years	2.10	0.03%	-	*0.00%*	-	*0.00%*	-	*0.00%*
Profit before tax (F=C-D-E)	**758.91**	***10.92%***	**721.02**	**6.23%**	**440.59**	**4.75%**	**460.21**	**6.26%**
Tax Expenses								
- Current Tax	185.14	*2.66%*	190.15	1.64%	132.18	1.43%	137.25	1.87%
- Prior Period Tax				0.00%		0.00%		0.00%
- Deferred Tax	34.39	0.49%	15.58	0.13%	-4.46	-0.05%	20.04	0.27%
Tax Expense for The Year (G)	**219.53**	**3.16%**	**205.74**	**1.78%**	**127.73**	**1.38%**	**157.29**	**2.14%**
Profit after tax (H=F-G)	**539.38**	**7.76%**	**515.29**	**4.45%**	**312.86**	**3.38%**	**302.92**	**4.12%**
Less: Share of Profit / (Loss) of Minority (I)	-1.17	-0.02%	-0.04	0.00%	-0.96	-0.01%	0	0.00%
Profit / (Loss) for the year (J=H+I)	**540.55**	**7.78%**	**515.33**	**4.45%**	**313.82**	**3.39%**	**302.92**	**4.12%**

Overview of Revenue and expenditure

Revenue and Expenditure

Total Income: Our total income comprises of Revenue from Operations and other income.

Revenue from operations: Our revenue from operations comprises of Sale of Pharmaceutical Products.

Other Income: Our other income comprises of Interest on Loan, Interest on FDR, Miscellaneous Income, Flat Rent Received, Insurance Claim Received, Subsidy Received and Sundry Credit Balances Written Off.

Expenses: Our expenses comprise of Cost of Materials consumed, Change in Inventories of Finished Goods and W-I-P, Employee Benefit Expenses, Finance Cost, Depreciation and Amortisation Expenses and Other Expenses.

Cost of Materials consumed: Our Cost of Materials consumed comprises of purchase of raw material, Direct expenses, Opening stock and closing stock of raw-material, packing material and trading materials.

Changes in Inventories: Our Changes in Inventories comprises of change in Stock of Finished goods and WIP from the beginning of the year to the end of the year.

Employee Benefit Expenses: Our employee benefit expense consists of Salaries & Wages, Director Remuneration, Incentive to Directors and Staffs, Stipend Expenses, Contribution to ESI & PF, Gratuity Expenses & Employees Welfare Expenses.

Finance Cost: Our finance costs comprise of Interest Expenses and Other Financial Charges.

Depreciation and amortisation expenses: Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on plant, property & Equipments & Intangible Assets.

Other expenses: Other expenses includes Advertisement, Auditors Remuneration, Bad Debts, Books & Periodicals, Building Maintenance, Commission Expenses, Consumable Expenses, Travelling & Conveyance Expenses, Discount Allowed, Diwali Expenses, Donation, Drug Lab Charges, Festival Expenses, Freight Expenses, Gratuity Expenses, Government Misc Recovery, Government Penalty, Hammali at Factory, Incentive on Sales, Labour Charges, Late Fees on GST, Insurance Expenses, Interest & Late Fees on Statutory Dues, Liquidated Damages, Legal & Professional Fees, Loading & Unloading Expenses, Office Maintenance, Other Expenses, Office Expenses, Packing & Forwarding Expenses, Penalty on GST, Postage Expenses, Property Tax Expenses, Price Differences, Professional Expenses,

Discount Allowed, Rates & Taxes, Business Promotion, Staff Welfare, Staff Transportation Charges, Tender Fees, Testing & Handling Charges, Vehicle Maintenance, Printing & Stationery, Rent Paid, Repair & Maintenance, Security Charges, Telephone Expenses and Preliminary Expenses.

Provision for Tax: Income taxes are accounted for in accordance with Accounting Standard – 22 on "Accounting for Taxes on Income" ("AS-22"), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax, prior period tax, as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

DISCUSSION OF PERIOD ENDED SEPTEMBER 30, 2023

Income

Our total revenue is ₹6,948.43 Lakh for the period ended September 30, 2023 which comprises of Revenue from Operations and Other Income.

Revenue from operations

Our revenue from operations is ₹6,940.93 Lakhs for the period ended September 30, 2023.

Other Income

Our Other Income for the period ended September 30, 2023 is ₹7.50 Lakhs which comprise of Interest on Loan, Interest on FDR and Rent received.

Expenses

Our total expenses excluding finance cost, depreciation and tax expenses is ₹5,979.01 Lakhs for the period ended September 30, 2023 due to the factors described below: -

Cost of Material Consumed

Our Cost of Material Consumed is ₹4,429.63 Lakhs for the period ended September 30, 2023 comprising of Opening stock and Purchase of Raw Material, Packing Material and Trading Material, Direct Expenses which was partially decreased by Closing stock of Raw Material, Packing Material and Trading Material.

Changes in Inventory in Stock in Trade

Our Changes in Inventory is ₹140.30 Lakhs for the period ended September 30, 2023 comprising of Change between Opening Stock and Closing Stock of Finished Goods and WIP Goods.

Employee benefits expenses

Our employee benefit expenses are ₹342.76 Lakhs for the period ended September 30, 2023 comprising of Salaries and Wages, Directors Remuneration, Incentives to Staff, Stipend Expenses, Contribution to ESI & PF and Gratuity Expenses.

Finance costs

Our finance cost is ₹145.81 Lakhs for the period ended September 30, 2023 comprising of Interest Expenses and Other Finance Charges.

Depreciation and amortization expense

Our depreciation for the period ended September 30, 2023 is ₹62.60 Lakhs.

Other expenses

Our other expenses incurred during the period ended September 30, 2023 is ₹1,066.33 Lakhs which comprises of Advertisement, Building Maintenance, Commission Expenses, Travelling & Conveyance Expenses, Discount, Drug Lab Charges, Factory Expenses, Festival Expenses, Freight Inward and Outward, Gratuity with LIC, Government Miscellaneous Recovery, Government Penalty, Income Tax Expenses, CSR Expenses, VAT Expenses, Insurance Expense, Incentives on sales, Liquidated Damages, Legal & Professional Fees, License and Other Fees, Loading and Unloading Expenses, Office Maintenance Expenses, Other Expenses, Office Expenses, Postage Expenses, Property Tax Expense, Price Difference Expense, Professional Expenses, Staff Welfare, Tender Fees, Tour Expenses, Vehicle Maintenance, Printing and Stationery, Professional Tax, Rent, Computer Expenses, Repair & Maintenance, Security Charges and Telephone Expenses.

Exceptional Items

Our exceptional items for the period ended September 30, 2023 is ₹2.10 Lakhs which comprises of Loss on Sale of Land.

Profit before tax

Our profit before tax stands at ₹758.91 Lakhs for the period ended September 30, 2023.

Tax expenses

Our tax expenses for the period ended September 30, 2023 amounted to ₹219.53 Lakhs which includes current tax and deferred tax expenses.

Share of Profit / (Loss) from Associate

Our minority interest of subsidiary for the period ended September 30, 2023 amounted to ₹-1.17 which comprises of Share of Loss in our associate - My Med Private Limited.

Profit After Tax

Our profit after tax stands at ₹540.55 Lakhs for the period ended September 30, 2023.

COMPARISON OF FY 2022-23 WITH FY 2021-22

Income

Total Income: Our total income increased by ₹2,303.02 lakhs or 24.85% to ₹11,569.65 Lakh for the financial year 2022-23 from ₹9,266.63 Lakh for the financial year 2021-22 due to the factors described below:

Revenue from operations

Our revenue from operations is ₹11,451.91 Lakhs for the financial year 2022-23 as compared to ₹9,165.50 Lakhs for the financial year 2021-22 representing an incline of 24.95% on account of increase in scale of business.

Other Income

Our Other Income increased from ₹101.12 Lakhs in financial year 2021-22 to ₹117.74 Lakhs in financial year 2022-23 due to increase in Subsidy Received, Sundry Creditors Written Off and Decrease in Interest on FDR.

Expenses

Our total expenses excluding finance cost, depreciation and tax expenses is ₹10,469.68 Lakhs for the financial year 2022-23 as compared to ₹8,471.93 Lakhs for the financial year 2021-22 representing an increase of 23.58% due to the factors described below: -

Cost of Material Consumed

Our *Cost of Materials Consumed* is ₹ 8,572.13 Lakhs for the financial year 2022-23 as compared to ₹7,552.59 Lakhs for the financial year 2021-22 representing an increase of 13.50% due to increase in Opening Stock of Raw Material, Closing stock of Raw Material. Direct Expenses, Purchase of Packing Material, Purchase of Trading Material which was partially set off against decrease Purchase of Raw Material.

Changes in Inventories

Our changes in inventories is -54.24 for the financial year 2022-23 as compared to ₹ -292.61 Lakhs for the financial year 2021-22 representing a -81.46% change due to increase in Opening as well as Closing Stock of Finished Goods & WIP.

Employee Benefits Expenses

Our employee benefit expenses are ₹473.37 Lakhs for the financial year 2022-23 as compared to ₹371.31 Lakhs for the financial year 2022-23 representing an increase of 27.49% due to increase in Salaries & Wages, Stipend Expenses, Contribution to ESI & PF which was partially set off against decrease in Gratuity Expenses.

Finance Costs

Our finance cost is ₹233.58 Lakhs for the financial year 2022-23 as compared to ₹211.03 Lakhs for the financial year 2021-22 representing an increase of 10.69% on account of increase in Interest on loan and Other Finance charges.

Depreciation and Amortization Expense

Our depreciation decreased by 1.77% to ₹130.28 Lakhs for the financial year 2022-23 from ₹132.63 Lakhs for the financial year 2021-22 due to disposal of some assets which was partially setoff against Additions in Fixed Assets.

Other expenses

Our other expenses increased by 75.48% to ₹1493.50 Lakhs for the financial year 2022-23 from ₹851.09 Lakhs for the financial year 2021-22, which is 12.91% and 9.18% of the total revenue of respective years. The increase was mainly due to increase in Advertisement, Commission Expenses, Travelling & Conveyance Expenses, Discount, Drug Lab Charges, Admin Charges, Government Penalty, Insurance Expense, Liquidated Damages, Legal & Professional Fees, Government Penalty, Interest & Late fees on Statutory dues, Liquidated Damages, Legal & Professional Charges, Loading & Unloading Expenses, Office Maintenance Expenses, Postage Expenses, Property Tax Expense, Price Difference Expense, Rent, Repair & Maintenance, Security Charges which was partially set off against decrease in Books & Periodicals, Building Maintenance, Donation, Printing & Stationery, Staff Welfare Expense.

Exceptional Items

There was no expenses on account of Exceptional Items in FY 2022-23 and FY 2021-22.

Profit Before Tax

Our profit before tax increased by 63.65% to ₹721.03 Lakhs for the financial year 2022-23 from ₹440.59 Lakhs for the financial year 2021-22. The increase was mainly due to the factors described above.

Tax Expenses

Our tax expenses for the financial year 2022-23 amounted to ₹205.74 Lakhs as against tax expenses of ₹127.73 Lakhs for the financial year 2021-22. The net increase of ₹78.01 Lakhs is on account of increase in Current tax due to increase in profits and increase in Deferred Tax.

Share of Profit / (Loss) from Associate

Our minority interest of subsidiary for the financial year 2022-23 amounted to ₹-0.04 Lakhs as against minority interest of ₹-0.96 Lakhs for the financial year 2021-22. The net decrease of ₹0.92 Lakhs is due to decrease in profit in our associate-My Med Private Limited.

Profit After Tax

Our profit after tax increased by 64.21% to ₹515.33 Lakhs for the financial year 2022-23 from ₹313.82 Lakhs for the financial year 2021-22, reflecting a net increase of ₹201.51 Lakhs mainly due to expansion of business and increase in revenue.

COMPARISON OF FY 2021-22 WITH FY 2020-21

Income

Total Income: Our total income increased by ₹1,915.06 lakhs or 26.05% to ₹9,266.63 Lakh for the financial year 2021-22 from ₹7,351.57 Lakh for the financial year 2020-21 due to the factors described below:

Revenue from operations

Our revenue from operations is ₹9,165.50 Lakhs for the financial year 2021-22 as compared to ₹7,340.17 Lakhs for the financial year 2020-21 representing an incline of 24.87% on account of increase in expansion of business.

Other Income

Our Other Income increased from ₹11.39 Lakhs in financial year 2020-21 to ₹101.12 Lakhs in financial year 2021-22 due to increase in Interest Received on Loan & FDR, Insurance Claim Received, Subsidy Received which was partially setoff against decrease in Miscellaneous Income.

Expenses

Our total expenses excluding finance cost, depreciation and tax expenses is ₹8,482.38 Lakhs for the financial year 2021-22 as compared to ₹6,637.36 Lakhs for the financial year 2020-21 representing an increase of 27.80% due to the factors described below:

Cost of Material Consumed

Our *Cost of Material consumed* is ₹7,552.59 Lakhs for the financial year 2021-22 as compared to ₹ 5,184.89 Lakhs for the financial year 2020-21 representing an increase of 45.67% due to increase in opening stock of raw materials & packing material, purchase of raw materials & packing material, Direct Expenses, Closing Stock of Raw Material & packing material.

Changes in Inventories

Our changes in inventories are ₹-292.61 Lakhs for the financial year 2021-22 as compared to ₹15.62 Lakhs for the financial year 2020-21 representing a decline of 1973.34% which is due to Increase in closing stock of Finished goods & WIP which was partially setoff against Decrease in Opening Stock of Finished Goods & WIP.

Employee Benefits Expenses

Our employee benefit expenses are ₹373.31 Lakhs for the financial year 2021-22 as compared to ₹344.99 Lakhs for the financial year 2020-21 representing an increase of 7.63% due to increase in Salary & Wages, Stipend Expense Contribution to ESI & PF which was partially setoff against Decrease in Incentive to Directors, Incentives to Staff, Employee Welfare Expense and Gratuity Expense.

Finance costs

Our finance cost is ₹211.03 Lakhs for the financial year 2021-22 as compared to ₹132.40 Lakhs for the financial year 2020-21 representing an increase of 59.39% on account of increase in Interest on Loan and Other Finance Charges.

Depreciation and Amortization Expense

Our depreciation increased by 9.07% to ₹132.63 Lakhs for the financial year 2021-22 from ₹121.60 Lakhs for the financial year 2020-21 due to addition in assets during the year.

Other expenses

Our other expenses decreased by 22.05% to ₹851.09 Lakhs for the financial year 2021-22 from ₹1091.86 Lakhs for the financial year 2020-21, which is 9.18% and 14.85% of the total revenue of respective years. The decrease was mainly due to decrease in Bad debts, Building maintenance, Consumable Expense, Diwali Expense, Freight Load & Cartage Expense, Hamali Charges, Incentives, Labour Charges, Insurance Expense, Interest & Late fees on Statutory Dues, Packing & Forwarding Charges, Postage Expense, Professional Expense, Discount allowed, Business Promotion Expense, Repair & Maintenance Expense which was partially set off against increase in Advertisement Expense, Commission Expense, Travelling & Conveyance Expense, Discount Allowed, Donation, Drug Lab Charges, Gratuity with LIC, Freight Inward & Outward, Government Recovery, Liquidated Damages, Legal & Professional Charges, Other Miscellaneous Expense, Staff Welfare.

Exceptional Items

There was no expenses on account of Exceptional Items in FY 2021-22 and FY 2020-21.

Profit Before Tax

Our profit before tax decreased by 4.26% to 440.59 Lakhs for the financial year 2021-22 from ₹460.21 Lakhs for the financial year 2020-21. The increase was mainly due to the factors described above.

Tax expenses

Our tax expenses for the financial year 2021-22 amounted to ₹127.73 Lakhs as against tax expenses of ₹ 157.29 Lakhs for the financial year 2020-21. The net decrease of ₹29.56 Lakhs is on account of decrease in Current tax and Deferred Tax.

Share of Profit / (Loss) from Associate

Our minority interest of subsidiary for the financial year 2021-22 amounted to ₹-0.96 Lakhs as against minority interest of ₹0 Lakhs for the financial year 2021-22 as there was no subsidiary company in 2020-21.

Profit After Tax

Our profit after tax increased by 3.60% to ₹313.82 Lakhs for the financial year 2021-22 from ₹302.92 Lakhs for the financial year 2020-21, reflecting a net increase of ₹10.90 Lakhs mainly due to increase in scale of operation.

Changes in Cash Flows

The table below summaries our cash flows from our Restated Financial Statements for the period ended on September 30, 2023 and financial years 2023, 2022 and 2021:

(₹ in Lakh)

Particulars	For the period ended on	For the year ended March 31,		
	September 30, 2023	2023	2022	2021
	Consolidated			Standalone
Net cash (used in) / generated from operating Activities	(101.63)	(440.64)	515.31	75.68
Net cash (used in) / generated from investing Activities	(72.39)	10.62	(524.22)	(142.83)
Net cash (used in) / generated from financing Activities	151.97	490.59	124.17	208.38
Net increase / (decrease) in cash and cash Equivalents	(22.05)	60.57	115.27	141.23
Cash and Cash Equivalents at the beginning of the period	360.64	300.69	184.80	43.57
Cash and Cash Equivalents at the end of the Period	338.58	360.64	300.06	184.80

Operating Activities

Period ended September 30, 2023

Our net used in Operating Activities was ₹ 101.63 Lakhs for the year ended September 30, 2023. Our operating profit before working capital changes was ₹970.31 Lakhs for the period ended September 30, 2023 which was primarily adjusted against Increase in Inventories of ₹500.92 Lakhs, Increase in Trade Receivables by ₹982.67 Lakhs, Increase in Other Non-Current Assets ₹17.38 Lakhs, Increase in Short Term Loans & Advances ₹33.49 Lakhs, Increase in Trade Payables by ₹370.46 Lakhs, Increase in Short Term Provision by ₹177.69 Lakhs, Increase in Other Current Liabilities by ₹32.53 Lakhs which was further decreased by Payment of Income Tax of ₹185.14 Lakhs.

Financial year 2022-23

Our net used in Operating Activities was ₹ 440.64 Lakhs for the year ended March 31, 2023. Our operating profit before working capital changes was ₹1,086.76 Lakhs for the financial year 2022-23 which was primarily adjusted against Decrease in Inventories of ₹1,154.24 Lakhs, Decrease in Trade Receivables by ₹1,724.34 Lakhs, Decrease in Short Term Loans & Advances ₹100.10 Lakhs, Decrease in Other Non-Current Assets by ₹37.01 Lakhs, Increase in Trade Payables by ₹1,692.67 Lakhs, Increase in Short Term Provision by ₹58.71 Lakhs, Decrease in Other Current Liabilities by ₹72.93 Lakhs which was further decreased by Payment of Income Tax of ₹190.15 Lakhs.

Financial year 2021-22

Our net cash generated from Operating Activities was ₹515.31 Lakhs for the financial year ended on March 31, 2022. Our operating profit before working capital changes was ₹787.30 Lakhs for the financial year 2021-22 which was primarily adjusted against Decrease in Inventories by ₹529.90 Lakhs, Decrease in Trade Receivables by ₹868.63 Lakhs, Decrease in Other Non-current assets by ₹44.09 Lakhs, Decrease in Short Term Loans & Advances by ₹254.30 Lakhs, Increase in Trade Payables by ₹1,441.75 Lakhs, Increase in Other Current Liabilities by ₹17.61 Lakhs and Increase in Short Term Provision by ₹97.76 Lakhs which was further Decreased by Income Tax of ₹132.18 Lakhs.

Financial year 2020-21

Our net cash generated from Operating Activities was ₹75.68 Lakhs for the financial year ended on March 31, 2021. Our Operating Profit before working capital changes was ₹717.38 Lakhs for the financial year 2020-21 which was primarily adjusted against Decrease in inventories by ₹ 246.88 Lakhs, Increase in Trade Receivables by ₹ 205.24 Lakhs, Decrease in Other Non-Current Assets by ₹13.50 Lakhs, Decrease in Short term Loans & Advances by ₹64.71 Lakhs, Decrease in Trade Payables by ₹ 273.94 Lakhs, Decrease in Short Term Provision by ₹225.50 Lakhs, Increase in Other Current Liabilities by ₹114.84 Lakhs which was further Decreased by Income Tax of ₹137.25 Lakhs.

Investing Activities

Period ended September 30, 2023

Our net cash used in Investing Activities was ₹72.39 Lakhs for the period ended September 30, 2023. These were on account of Purchase of Property, Plant & Equipment of ₹10.26 Lakhs and Capital Work in Progress by ₹88.59 Lakhs and Sale of Property, Plant & Equipment of ₹26.46 Lakhs.

Financial year 2022-23

Our net cash generated from Investing Activities was ₹ 10.62 Lakhs for the financial year 2022-23. These were on account of Sale of Property, Plant & Equipment of ₹301.52 Lakhs and Purchase of Plant & Machinery by ₹-290.90 Lakhs.

Financial year 2021-22

Our net cash used from Investing Activities was ₹-524.22 Lakhs for the financial year 2021-22. These were on account of Purchase of Property, Plant & Equipment of ₹ -258.01 Lakhs & Capital WIP of ₹-266.20 Lakhs.

Financial year 2020-21

Our net cash used from investing activities was ₹ -142.83 Lakhs for the financial year 2020-21. These were on account of Purchase of Property, Plant & Equipment of ₹ -142.83 Lakhs.

Financing Activities

Period ended September 30, 2023

Net cash generated from financing activities for the period ended September 30, 2023 was ₹151.97 Lakhs which was primarily on account Finance Cost by ₹145.81 Lakhs, Proceeds from Long Term Borrowings by ₹50.32 Lakhs and Proceeds from Short Term Borrowings by ₹247.46 Lakhs.

Financial year 2022-23

Net cash generated from financing activities for the financial year March 31, 2023 was ₹490.59 Lakhs which was primarily on account of Decrease in Finance Cost by ₹233.58 Lakhs, Decrease in Long Term Borrowings by ₹121.52 Lakhs and Increase in Short Term Borrowings by ₹845.68 Lakhs.

Financial year 2021-22

Net cash generated from financing activities for the financial year March 31, 2022 was ₹ 124.17 Lakhs which was primarily on account of Proceeds from Issue of Shares ₹ 2.45 Lakhs, Proceeds from Long-Term Borrowings of ₹229.60 Lakhs, Proceeds from Short-Term Borrowings of ₹103.27 Lakhs & Decrease in Finance Cost of ₹211.03 Lakhs.

Financial year 2020-21

Net cash generated from financing activities for the financial year March 31, 2021 was ₹ 208.38 Lakhs which was primarily on account of Repayment of Long-Term Borrowings of ₹234.76 Lakhs, Proceeds from Short-Term Borrowings of ₹575.54 Lakhs & Decrease in Finance Cost of ₹132.40 Lakhs.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the period ended on September 30, 2023 and financial years ended March 31, 2023, 2022 and 2021:

Particulars	For the period ended on	For the year ended March 31,		
	September 30, 2023	2023	2022	2021
	Consolidated	Consolidated	Consolidated	Standalone
Fixed Asset Turnover Ratio	5.87	9.77	6.98	7.96
Current Ratio	1.23	1.17	1.15	1.20
Debt Equity Ratio	1.28	1.51	1.56	1.73
Inventory Turnover Ratio	2.65	6.40	9.67	13.11

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

Current Ratio: This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

Inventory Turnover Ratio: This is defined as average inventory divided by total turnover based on Financial Statements as restated.

Financial Indebtedness

As on September 30, 2023, the total outstanding borrowings of our Company is ₹2,902.81 Lakhs. For further details, refer to the chapter titled "***Statement of Financial Indebtedness***" beginning on page 195 of this Red Herring Prospectus.

(₹in Lakh)

Particulars	As at March 31, 2023
Loans from Banks & Financial Institutions	2,350.72
Loans from Others	552.09
Total	**2,902.81**

Related Party Transactions

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products and services. For further information, please refer to the chapter titled "***Financial Statements as Restated***" on page 179 of this Red Herring Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled "***Financial Statements as Restated***" beginning on page 179 of this Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled "***Financial Statements as Restated***" beginning on page 179 of this Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS

Unusual or infrequent events or transactions

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

Significant economic changes that materially affected or are likely to affect income from continuing operations

There are no significant economic changes that materially affected Company's operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders' funds and ability to implement strategy and the price of the Equity Shares.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as disclosed in the chapter titled "***Risk Factors***" beginning on 28 of this Red Herring Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

Total turnover of each major industry segment in which the Issuer Company operates

Our Company is primarily engaged in the business of manufacturing & trading of pharmaceutical products and running all operations from Indore, Madhya Pradesh. The Company primarily caters to the Indian market.

Relevant industry data, as available, has been included in the chapter titled "***Industry Overview***" beginning on page 101 of this Red Herring Prospectus.

Competitive Conditions

We have competition with Indian and international manufacturing companies and our results of operations could be affected by competition in the manufacturing industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "***Risk Factors***" beginning on page 28 of this Red Herring Prospectus.

Increase in Income

Increases in our income are due to the factors described above in in this chapter under "*Factors Affecting Our Results of Operations*" and chapter titled "***Risk Factors***" beginning on page 28 of this Red Herring Prospectus.

Status of any Publicly Announced New Business Segments

Except as disclosed elsewhere in the Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

STATEMENTS OF FINANCIAL INDEBTEDNESS

Brief details on the financial indebtedness of the "ZENITH DRUGS LIMITED" as on September 31, 2023 and December 31, 2023 are as under:

SECURED LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

Name of Lender	Purpose	Sanctioned Amount (₹ in lakhs)	Rate of Interest	Primary & Collateral Security	Repayment Terms	Outstanding as on 30.09.2023 (₹ in lakhs)	Outstanding as on 31.12.2023 (₹ in lakhs)
HDFC Bank Limited	Term Loan	270.00	8.75%	Primary Security as Stock, Book debts, Fixed Deposits and Collateral Security as Plant & Machinery, Fixed Deposit and Guarantee. Property details as follows: i)Vacant Land at Plot No. 187, Naida Scheme No.113 ii)Residential House at Plot No.1625 Sch No.114, Scheme No. 114-1452001NA iii)Factory at Sr. No. 72/5 Tehsil Depalpurat, Village Muradpura iv)Land at Survey No. 74/1/1, 75/1/1, 72/3, 72/1 Village Muradpura, Tehsil Depalpur	67 equal installments of ₹ 5.19 Lakhs	6.31	0.93
HDFC Bank Limited	Term Loan	100.00	8.75%		54 equal installments of ₹ 2.20 Lakhs after 1st four installments of ₹ 1.02 Lakhs and 5th installment of ₹ 1.66 Lakhs	9.29	2.80
HDFC Bank Limited	Term Loan	157.51	9.25%		48 equal installments of ₹ 4.95 Lakhs after 12 installments where only interest is charged	43.32	29.22
HDFC Bank Limited	Term Loan	140.19	9.25%		61 equal installments of ₹ 1.08 Lakhs including first 4 installments of ₹ 0.74 Lakhs, ₹ 0.97 Lakhs, ₹ 0.97 Lakhs & ₹ 1.01 Lakhs	140.19	140.19
HDFC Bank Limited	Overdraft	1,050.00	8.75%		Repayable on Demand	872.78	1,048.34

Name of Lender	Purpose	Sanctioned Amount (₹ in lakhs)	Rate of Interest	Primary & Collateral Security	Repayment Terms	Outstanding as on 30.09.2023 (₹ in lakhs)	Outstanding as on 31.12.2023 (₹ in lakhs)
Small Industries Development Bank of India	Term Loan	250.00	8.10%	Primary Security as Equipments, Plant & Machinery and Other Assets which are acquired under this project and also the personal guarantee of Sandeep Bharadwaj, Bhupesh Soni and Ajay Singh Dasundi and Secondary Security as FDR of Rs.80 Lakhs in favour of SIDBI	54 equal installments of ₹ 4.60 Lakhs	135.64	122.10
PNB Housing Finance	Term Loan	15.45	9.80%	Plot No.184 at Kanchan Vihar, Gram Niranjanpur, Indore-452001	180 equal installments of ₹ 0.16 Lakhs having first installment of ₹ 0.11 Lakhs	13.27	13.13
HDFC Bank Limited	Vehicle Loan	21.00	9.00%	Car Finance	60 equal installments of ₹ 0.44 Lakhs	5.82	4.56
HDFC Bank Limited	Vehicle Loan	15.30	10.56%	Car Finance	48 equal installments of ₹ 0.39 Lakhs	0.00	0.00
HDFC Bank Limited	Vehicle Loan	24.50	7.44%	Car Finance	60 equal installments of ₹ 0.49 Lakhs	18.93	17.82
DBS Bank India Limited	Overdraft	1,000.00	9.00%	Primary security as Current Assets & Movable Fixed Assets of company and Collateral Security of i) Land Bearing Survey No.72/1 at Village Muradpura, Tehsil Depalpur, Indore	Repayable on Demand	0.00	0.00

Name of Lender	Purpose	Sanctioned Amount (₹ in lakhs)	Rate of Interest	Primary & Collateral Security	Repayment Terms	Outstanding as on 30.09.2023 (₹ in lakhs)	Outstanding as on 31.12.2023 (₹ in lakhs)
				ii) Land Bearing Survey No.74/1/1 & 75/1/1 & 72/3 & 72/1 at Village Muradpura, Tehsil Depalpur, Indore			
Punjab National Bank	Cash Credit	1,000.00	9.75%	Primary Security with HDFC Bank as present & future current assets and Collateral Security as Counter Indemnity of borrower and Margin 15% in form of FDR	Repayable on Demand subject to renewal after every 12 months	1,067.20	936.26
Punjab National Bank	Term Loan	300.00	9.75%	1st Charge on Industrial Land and Proposed Construction thereon at S. No. 72/4, 72/3, 74/1/1, 75/1/1, Ph No. 40, New No. 85, Dhar Road, Near Kalaria, Gram Muradpura, Dist Indore 2nd Charge on Entire stock of Raw material, WIP, Stores & Spares, Packing Material, Finished Goods, Book Debts and all other current assets	Repayable in 72 equal installments after the end of Moratorium period of 12 months.	37.96	123.11
TOTAL						**2,350.72**	**2,438.46**

UNSECURED LOANS FROM OTHERS:

Name of Lender	Amount Outstanding as on 30.09.2023	Amount Outstanding as on 31.12.2023
Rajendra Singh Dassundi	15.73	15.73
Ajay Singh Dassundi	30.38	30.38
Anjali Dassundi	44.86	44.86
Bhupesh Soni	40.43	40.43
Jaywanti Soni	61.23	61.23
Lad Kunwar Dassundi	27.94	27.94
Priyanka Bharadwaj	32.91	32.91
Sandeep Bharadwaj	141.12	141.12
Saroj Bharadwaj	37.95	37.95
Saroj Soni	64.22	64.22
Anshul Chouhan	55.30	55.30
Total	**552.09**	**552.09**

SECTION X: LEGAL AND OTHER INFORMATION

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central Government and appropriate State Governments and other government agencies / regulatory authorities / certification bodies required to undertake the Issue or continue our business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed on this behalf.

Following statements set out the details of licenses, permissions and approvals obtained by the Company under various Central and State legislations for carrying out its business activities.

The Company has its business located at the following locations:

Registered Office:

- K. No. 72/5, Village Muradpura NA, Depalpur, Indore, Madhya Pradesh- 453001

Other Offices:

- Near Shiv Sakti Rice Mill, C/o Virend Singh, Pingli Road, Karnal, Haryana, 132001
- 5 Dr. 8th Floor - Room No. 8, Sarva Mangala Properties, Rajendra Prasad Sarani, Kolkata, West Bengal – 700001
- At No. 1, 3rd Cross, C/o Abdul Lateef, Lal Bagh Fort Road, Doddamavalli, Bengaluru, Karnataka - 560004

Factories:

- K. No. 72/5, Village Muradpura, Depalpur, Indore, Madhya Pradesh- 453001

Godown:

- Part-1, Second Floor, 29/3, 29/4, 29/5, Talawali Chanda, Lasudia Mori, Dewas Naka, Indore, Madhya Pradesh

Guest House:

- Kanchan Vihar, 184, Shri Shyam Darshan, Indore.

Agriculture Land:

- Land – Khajurai, Tehsil Hatod Dist. Indore (M.P.)

Industrial Land:

- Industrial Land – Village Mohna Tehsil Depalpur Dist. Indore (M.P.)

I. APPROVALS FOR THE ISSUE

Corporate Approvals

The following approvals have been obtained or will be obtained in connection with the Issue:

a. Our Board of Directors have pursuant to a resolution passed at their meeting held on September 16, 2023, authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary.

b. The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 62(1) (c) of the Companies Act, 2013 by Special Resolution in an Extra Ordinary General Meeting held on September 16, 2023.

ISIN Number

- The Company's International Securities Identification Number ("ISIN") is INE0QWN01013.

Lender Consent

Our Company has received the consent letter from its Lenders for the Issue on:

- September 16, 2023, from HDFC Bank Limited.
- September 21, 2023, from Small Industries Development Bank of India.
- September 25, 2023, from PNB Housing Finance Limited

Stock Exchange

In-Principle approval letter dated January 03, 2024 letter no NSE / LIST / 2912 from National Stock Exchange of India Limited for the listing of equity shares issued by our Company pursuant to the Issue.

II. APPROVALS OBTAINED BY OUR COMPANY

Sr. No.	Nature of License / Approval	Registration / License No.	Issuing Authority	Date of Grant	Validity
1.	Certificate of Incorporation in the name of Zenith Drugs Private Limited	U24231MP2000 PTC14465	Registrar of Companies, Madhya Pradesh, Gwalior	November 15, 2000	One Time Registration
2.	Certificate of Incorporation upon change of name from 'Zenith Drugs Private Limited' to 'Zenith Drugs Limited' pursuant to conversion from Private Company to Public Company.	U24231MP2000 PLC014465	Registrar of Companies, Gwalior	September 13, 2023	One Time Registration
Tax Related Approvals					
3.	Permanent Account Number ("PAN")	AAACZ1475F	Income Tax Department, Government of India	November 15, 2000	One Time Registration
4.	Tax Deduction Account Number ("TAN")	BPLZ00045D	Income Tax Department, Government of India	November 14, 2023	One Time Registration
5.	*Central Excise Registration Certificate	AAACZ1475FE M002	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	November 30, 2015	One Time Registration
Goods and Service Tax Registration					
6.	Certificate of Registration under Central Goods and Services Tax Act, 2017 for Madhya Pradesh Office	23AAACZ1475 F1ZI	Superintendent, Goods and Service Tax Network 07, Government of India	January 29, 2024	One Time Registration
7.	Certificate of Registration under Haryana Goods and	06AAACZ1475 F1ZE	Excise and Taxation	November 07, 2023	One Time Registration

Sr. No.	Nature of License / Approval	Registration / License No.	Issuing Authority	Date of Grant	Validity
	Services Tax Act, 2017 for Haryana Office#		Officer, Karnal Ward 8, Goods and Service Tax Network 07, Government of India		
8.	Certificate of Registration under West Bengal Goods and Services Tax Act, 2017 for West Bengal Office#	19AAACZ1475 F1Z7	Deputy Commissioner, N.D. Sarani, Goods and Service Tax Network 07, Government of India	November 23, 2023	One Time Registration
9.	Certificate of Registration under Central Goods and Services Tax Act, 2017 for Karnataka Office**#	29AAACZ1475 F2Z5	Goods and Service Tax Network 07, Government of India	January 18, 2024	One Time Registration
Certificate of Registration Under State Tax on Profession, Trades, Calling and Employments Acts					
10.	Certificate of Registration under the Madhya Pradesh Vritti Kar Adhiniyam, 1995 for persons.	78291401664	Tax Officer, Circle – 1, Indore	November 22, 2023	One Time Registration
11.	Certificate of Registration under the Madhya Pradesh Vritti Kar Adhiniyam, 1995 for employers	79309005675	Tax Officer, Circle – 1, Indore	November 30, 2023	One Time Registration
Certificate of Registration Under Shops and Establishments Act					
12.	*Shops and Establishment Certificate under the Madhya Pradesh Shops and Establishment Act, 1958 for Registered Office	C/1755685	District Labor Office, Indore	September 27, 2021	One Time Registration
13.	*Shops and Establishment Certificate under the Madhya Pradesh Shops and Establishment Act, 1958 for Godown	INDO230201SE 000383	District Labor Office, Indore	Date of Issue: February 3, 2023 Date of amendment: February 7, 2023	One Time Registration
14.	Shops and Establishment Certificate under the Karnataka Shops and Commercial Establishments Act. 1961 for Karnataka Office	17/118/CE/0021/ 2024	Office of Senior Labour Inspector - Circle 17 "Karmika Bhavan", Bannerughatta Road, Bangalore - 560 029 Karnataka	January 30, 2024	December 31, 2028
Business Related Approvals					
15.	Udyam Registration Certificate under Micro, Small and Medium Enterprises Development Act, 2006	UDYAM-MP-23-0009883	Government of India, Ministry of Micro, Small and Medium Enterprises	January 9, 2021	One Time Registration
16.	*Udyog Aadhar Memorandum	275775115511	Ministry of Micro, Small and Medium Enterprises	June 9, 2016	One Time Registration

Sr. No.	Nature of License / Approval	Registration / License No.	Issuing Authority	Date of Grant	Validity
17.	Drug Manufacturing License	V/25/I.C./Z 1271/202J/1483	Controller Office of the Controller Food and Drugs Administration, Madhya Pradesh	September 13, 2023	September 12, 2028
18.	Drug Manufacturing License	28/3/2001	Controller Office of the Controller Food and Drugs Administration, Madhya Pradesh	September 13, 2023	September 12, 2028
19.	Drug Manufacturing License	25/7/2001	Controller Food and Drugs Administration, Bhopal, Madhya Pradesh	September 13, 2023	September 12, 2028
20.	Certificate of Importer-Exporter Code	1107004691	Government of India, Ministry of Commerce and Industry	December 27, 2007 Last Modified: January 29, 2024	One Time Registration
21.	Factory License under the Factories Act, 1948	197/15645/IND/ 2M(I)/H	Additional Chief Inspector of Factories, Madhya Pradesh	Original: November 24, 2022 Renewal: November 30, 2023	December 31, 2024
22.	Authorization under Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016	H-77589	Regional Office, Madhya Pradesh Pollution Control Board	July 9, 2020	May 31, 2024
23.	*Consolidated consent and authorisation under section 25 of the Water (Prevention & Control of Pollution) Act, 1974; and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	AW-56494	Madhya Pradesh Pollution Control Board	August 13, 2022	March 04, 2027
24.	*Temporary Fire NOC	6100001555	Office of Indore Collector / Fire Officer, Indore Division, Indore Madhya Pradesh	Application Date: June 28, 2021	June 28, 2024
25.	*Good Laboratory Certificate	INDBGLP20220 1416	Office of the Controller Food and Drugs Administration, Madhya Pradesh	January 10, 2022	Three Years
26.	*Good Laboratory Certificate	INDBGLP20220 1415	Office of the Controller Food and Drugs Administration, Madhya Pradesh	January 10, 2022	Three Years
27.	*Certificate of Good Manufacturing Practices	03/2016	Office of the Controller, Food and Drugs Administration, Madhya	January 28, 2022	January 27, 2025

Sr. No.	Nature of License / Approval	Registration / License No.	Issuing Authority	Date of Grant	Validity
			Pradesh, Idgah Hills, Bhopal, Madhya Pradesh		
28.	Good Laboratory Certificate	V/28/I.C./Z-57/2024/87	Office of the Controller, Food and Drugs Administration, Madhya Pradesh, Bhopal	January 15, 2024	Three Years
29.	LEI Certificate	335800V9KMVXKQOLQE76	CCIL	Not Available	April 08, 2024
Labour Related Approvals					
30.	*Registration under Employees' Provident Fund and Miscellaneous Provisions Act, 1952	MPIND0019032000	Employees Provident Fund Organisation, Ministry of Labour and Employment	March 20, 2015	One Time Registration
31.	*Registration under Employees State Insurance Act, 1948	18000324320000305	Assistant Director, Employees State Insurance Corporation, Indore – Madhya Pradesh	October 14, 2019	One Time Registration

*The above-mentioned approvals are in the previous name of the Company i.e., Zenith Drugs Private Limited. The Company is in the process of changing its name from Zenith Drugs Private Limited to Zenith Drugs Limited in all its approvals.
**The registration is currently inactive
#The company had these registrations earlier also but there were no transactions from these locations till the date of filing of DRHP, hence it was not shown earlier. However, it has been incorporated now for better disclosure purpose.

III. APPROVALS OBTAINED / APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS:

Sr. No.	Word / Label / Mark / Design	Application No.	Class	Registration / Application date	Status / Validity
1.	*CLOZATE-GM	3611504	5	August 11, 2017	Registered
2.	*DR. MAA 	3943608	35	September 12, 2018	Registered
3.	*HOEST PHARMA	5088913	35	August 14, 2021	Registered
4.	*KODZEN	4227289	5	July 6, 2019	Registered
5.	*NYZEE	3611506	5	August 11, 2017	Registered
6.	*PARKID	4698729	5	October 13, 2020	Registered
7.	*DR. MAA with Device 	4227290	41	July 6, 2019	Registered
8.	*POVIZ-M	3611498	5	August 11, 2017	Registered
9.	*RHON-POULE LIFE SCIENCE	5088914	35	August 14, 2021	Rectification Filed
10.	*VIPROZEN	5147467	5	September 24, 2021	Registered

Sr. No.	Word / Label / Mark / Design	Application No.	Class	Registration / Application date	Status / Validity
11.	*BECLOZEN	3611501	5	August 11, 2017	Registered
12.	*ZYTOL 	2250535	3	December 15, 2011	Registered
13.	*POVIZ	2075049	30	December 27, 2010	Registered
14.	*POVIZ	2075050	3	December 27, 2010	Registered
15.	*POVIZ	1843000	5	July 23, 2009	Registered
*The said Trademark belongs to Zenith Drugs Private Limited. The Company is in the process of changing its name from Zenith Drugs Private Limited to Zenith Drugs Limited in all its approvals.					

IV. THE DETAILS OF DOMAIN NAME REGISTERED IN THE NAME OF THE COMPANY:

Sr. No.	Domain Name and Id	Iana Id	Creation Date	Expiry Date
1.	**Domain name –** https://zenithdrugs.com **Domain ID** – 2050733075	146	August 9, 2016	August 9, 2028

V. CERTIFICATES IN THE NAME OF THE COMPANY

Sr. No.	Particulars / Description	Certificate / Registration Number	Date of Registration	Expiry Date
1.	*Certificate of Quality Management System ISO 9001:2015 issued by Global Grading Certification	QMS/092020/1871	March 30, 2021	March 29, 2024
2.	*Certificate of compliance with good manufacturing practices issued by Liberia Medicines and Health Products Regulatory Authority	LMHRA/GMP/DA21-0013	May 24, 2021	May 23, 2024
3.	*Certificate of Analysis issued for Povidone Iodine solution IP 5% w/v 500 ml issued by Pious Laboratories Private Limited	U/GE-023091400048	September 16, 2023	February 2025
4.	*Certificate of Analysis issued for Permethrin Cream 5% w/w 30 gm by Pious Laboratories Private Limited	U/GE-023091600027	September 19, 2023	August 2025
5.	*Certificate of Analysis issued for Dextromethorphen Hydrobromide & Chlorpheniramine Maleate Syrup by Pious Laboratories Private Limited	U/GE-023091800030	September 19, 2023	August 2025
6.	*Certificate of Analysis issued for Bethamethasone Dipropionate cream IP 0.05%w/w by Pious Laboratories Private Limited	U/GE-023091600031	September 18, 2023	August 2025
7.	*Certificate of Analysis issued for Miconazole Cream IP2% w/w 15g by Pious Laboratories Private Limited	U/GE-023091400054	September 16, 2023	August 2025
8.	*Certificate of Analysis issued for Clotrimazole cream IP 2% w/w 15g by Pious Laboratories Private Limited	U/GE-023091400052	September 16, 2023	August 2025
9.	*Certificate of Analysis issued for Betamethasone Dipropionate cream IP 0.05% w/w by Pious Laboratories Private Limited	U/GE-023091100081	September 13, 2023	August 2025
10.	*Certificate of Analysis issued for Benzyl Benzoate Application IP100 ml by Pious Laboratories Private Limited	U/GE-023091200068	September 14, 2023	August 2025
11.	*Certificate of Analysis issued for IRON and Folic acid Syrup IP 100 ml by Pious Laboratories Private Limited	U/GE-023081700099	August 25, 2023	January 2025
12.	*Certificate of Analysis issued for Ondansetron hydrochloride oral solution IP by Pious Laboratories Private Limited	U/GE-023090100068	September 9, 2023	August 2025
13.	*Certificate of Analysis issued for Oral Rehydration Salts IP 20.5 gm by Pious Laboratories Private Limited	U/GE-023091600011	September 18, 2023	August 2025
14.	*Certificate of Analysis issued for Neomycin Sulphate Ointment U.S.P. 0.5 w/w by Pious Laboratories Private Limited	U/GE-023082500072	August 26, 2023	July 2025

Sr. No.	Particulars / Description	Certificate / Registration Number	Date of Registration	Expiry Date
15.	*Certificate of Analysis issued for Gamma benzene hexachloride Application 1% w/v by Pious Laboratories Private Limited	U/GE-023081700050	August 18, 2023	July 2025
16.	*Certificate of Analysis issued for Clindamycin phosphate gel USP %w/w 20gm by Pious Laboratories Private Limited	U/GE-023081900050	August 21, 2023	June 2025
17.	*Certificate of Analysis issued for Aluminum Hydroxide, Magnesium Hydroxide & Simethicone Oral Suspension IP by Pious Laboratories Private Limited	U/GE-023082900084	September 5, 2023	July 2025
18.	*Report of Analysis for Sucralfate Oral Suspension issued by ITL Labs Private Limited	F202301280006	January 2023	December 2024
19.	*Report of Analysis for Whitefields Ointment IP (Compound Benzoic Acid Ointment IP) issued by ITL Labs Private Limited	F202301250044	January 2023	December 2024
20.	*Report of Analysis for Salbutamol Sulphate Syrup IP issued by ITL Labs Private Limited	F202305270080	May 2023	April 2025
21.	*Report of Analysis for Azithromycin Oral Suspension IP 100mg/5ml issued by ITL Labs Private Limited	F202302170014	February 2023	January 2025
22.	*Report of Analysis for Multi Vitamin Syrup issued by ITL Labs Private Limited	F202304180040	April 2023	September 2024
23.	*Report of Analysis for Silver Sulphadiazine Cream IP 1.0%W/W issued by Shree Krishna Analytical Services Private Limited	SKF-190623182	June 2023	May 2025
24.	*Report of Analysis for Calcium Phosphate, Vitamin B12 and Vitamin D3 Suspension issued by Shree Krishna Analytical Services Private Limited	SKF-260823142	August 2023	January 2025
25.	*Report of Analysis for Hydrocortisone Ointment IP 0.5% W/W issued by Shree Krishna Analytical Services Private Limited	SKF-080623137	June 2023	May 2025
26.	*Report of Analysis for Vitamin A Peadiatric Oral Solution IP issued by Shree Krishna Analytical Services Private Limited	SKF-200623102	June 2023	November 2024
27.	*Report of Analysis for Silver Sulphadiazine Cream IP 1.0%W/W issued by Shree Krishna Analytical Services Private Limited	SKF-050723133	June 2023	May 2025
*The above-mentioned Certificate is in the previous name of the Company i.e., Zenith Drugs Private Limited. The Company is in the process of changing its name from Zenith Drugs Private Limited to Zenith Drugs Limited in all its approvals.				

VI. PENDING APPROVALS

- Our Company has applied for new registration of principal employer under the Contract Labor (Regulation and Abolition) Act, 1970 vide Application No. INDO230929CP000122 dated September 29, 2023
- Our Company has applied for an amendment in the current Factories License No. 197/15645/IND/2M(1)/H to include the address of the new factory which has been taken by our Company for proposed expansion situated at K. No. 72/3, 74/1/1, 75/1/1, Village Muradpura, Depalpur, Indore, Madhya Pradesh vide Application No. FAC1611896 dated October 03, 2023.
- Our Company has made an amendment application vide application reference number Public-APP-19199653 and Public-APP-19199654 dated October 20,2023 for change of title of the Land.

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Our Company, our Directors and our Promoters are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. Except as stated in this section, there are no:

(i) criminal proceedings;

(ii) actions by statutory or regulatory authorities;

(iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action;

(iv) claims relating to direct and indirect taxes; and

(v) Material Litigation (as defined below); involving our Company, Directors or Promoters.

*Our Board of Directors, in its meeting held on September 26, 2023 determined that outstanding litigation involving our Company and its subsidiaries, its directors, its promoters, and group companies shall be considered material ("**Material Litigation**") if:*

- *the monetary amount of claim by or against the entity or person in any such pending matter exceed ₹ 10.00 lakhs, and;*

- *the Board or any of its committees shall have the power and authority to determine suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.*

*Our Board of Directors, in its meeting held on September 26, 2023 determined that outstanding dues to the small-scale undertakings and other creditors exceeding ₹ 10.00 Lakhs of the Company's trade payables for the last audited financial statements shall be considered material dues for the company for the purpose of disclosure in Red Herring Prospectus. ("**Material Dues**").*

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at www.zenithdrugs.com.

Our Company, its Directors and its Promoters are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.

A. LITIGATION INVOLVING OUR COMPANY:

LITIGATIONS AGAINST OUR COMPANY:

(i). All criminal proceedings:

State of Telangana Through the State of Telangana Represented by Drugs Inspector, Sherilingampally v. M/s Zenith Drugs (P) Limited- CC/46/2023:

Drugs Inspector - CRLPSR 9513/2023:

The State of Telangana ("Complainant") filed a complaint bearing no. CC/46/2023 before the Additional Junior Civil Judge cum Additional Metropolitan Magistrate at Miyapur, Ranga Reddy District ("District Court, Rangareddy") against our Company under section 32 of the Drugs and Cosmetic Act, 1940, alleging that our Company was in contravention with the provisions of Drugs and Cosmetic Act, 1940 and rules made thereunder for the label claim on the drug "pile seal" ointment that "for the treatment of external and internal piles" in which the word 'piles' is the objectionable claim ("Complaint"). The Complaint was then challenged by our Company through an appeal bearing numbering CRLPSR 9513/2023 before the High Court of Telangana ("High Court") on January 21, 2023, to quash the proceedings undergoing before the District Court, Rangareddy on the ground that the delay in investigation and filing filed by the Complaint was filed with a mala-fide intention by the Complainant. As on date, the status of the matter before the District Court, Rangareddy in relation to the Complaint is on the stage of call on.

(ii). All actions by regulatory authorities and statutory authorities:

State of Punjab, Through Drugs Inspector v. M/s Zenith Drugs Private Limited - CRM/1064/2023:

Our Company has received a letter bearing number Drugs/2023/240-241 dated July 20, 2023, from Drugs Control Office, Amritsar-I FDA, O/o Civil Surgeon, Taylor Road, Amritsar **(the "Letter")** for the certificate of test / analysis bearing number Drugs / 2023 / 239 dated July 20, 2023, issued by the Central Drugs Laboratory **(the "Certificate")** attached with the Letter. The Letter was in relation to the requisition of few documents relating to the business and reports of our Company. The Certificate mentioned the result of the test conducted by the Central Drugs Laboratory on the sample of oral rehydration salts I.P **("Drug")**, manufactured by our Company wherein the Central Drugs Laboratory alleged that the Drug is not of standard quality as defined in the Drugs and Cosmetic Act, 1940 and rules thereunder. In response to the Letter, our Company made two interim replies dated August 4, 2023, and August 22, 2023, to the Drug Controller Officer, Amritsar-I wherein our Company stated that they are licensed compliant and have the permission to manufacture the Drug and submitted the copy of the test report declaring the Drug is of standard quality. Further, in the subsequent reply, the Company requested not to initiate any legal action against them as they were already punished by the different authorities in the past on the same matter. Subsequently, this matter was filed by the State of Punjab, Through Drugs Inspector before the Chief Judicial Magistrate, Mohali on June 14, 2023, and as on date, the matter is currently pending adjudication.

State of Punjab Through Drugs Inspector v. M/s Zenith Drugs Private Limited - CRM/1063/2023:

Our Company has received a letter bearing number Drugs/2022/1401 dated October 3, 2022, from Drugs Control Officer, S.A.S Nagar-1, Food and Drugs Administration, Mohali **(the "Letter")** for the analysis report issued by RDWH Kharar **(the "Certificate")** attached with the Letter. The Letter was in relation to the requisition of few documents relating to the business of the Company. The Certificate mentioned the result of the test conducted by the RDWH Kharar on the sample of oral rehydration salts I.P Batch no. P-21025 **("Drug")**, manufactured by our Company wherein the RDWH Kharar alleged that the Drug is not of standard quality as defined in the Drugs and Cosmetic Act, 1940 and rules thereunder. In response to the Letter, our Company vide letter no. Zenith/QA/01/11/2022 claimed that the batch of Drug is in compliance and submitted the control sample analysis report. Subsequent to the reply, the matter was filed by the State of Punjab, Through Drugs Inspector in Chief Judicial Magistrate, SAS Nagar, Mohali on June 14, 2023, and as on date, the matter is currently pending adjudication.

State Government v. Sandip Singh, M/s. Zenith Drugs Private Limited, and Ors. - R.C.C./730/2023:

Our Company received a letter bearing number NSQ/MVG/NO/21/23/5 dated January 6, 2023, from Office of the Joint Commissioner, Food and Drugs Administration, Amravati **(the "Letter")** and for an analytical report bearing number NSQ/NAG/132105/2022 dated November 24, 2022, issued by the Government Analyst, Nagpur **(the "Certificate")**. The Certificate mentioned the result of the test conducted by the Government Analyst, Nagpur on the sample of pain-free gel of batch number B666 **("Gel")**, manufactured by our Company wherein the Central Drugs Laboratory alleged that the Drug is not of standard quality as defined in the Drugs and Cosmetic Act, 1940 and rules thereunder. In response to the Letter, our Company responded through a letter bearing number Zenith/QA/010223 dated February 4, 2023, and addressed it to the Drug Inspector, Food and Drugs Administration, Amrawati. The Company claimed that they do not agree with the government analyst report result and requested to arrange reanalyse the fresh sample of the said batch at an authorized government lab or a central lab. Subsequently, this matter was filed by the State Government before the Chief Judicial Magistrate, Amravati on April 20, 2023, and as on date, the matter is currently pending adjudication.

State of Jharkhand v. M/s Zenith Drugs Private Limited and Ors. - Drug Cosmetic/3/2022:

Our Company received a Letter bearing number 322-HZB/2022 dated July 28, 2022, from Drug Inspector Office, Hazirabagh District **(the "Letter")**. In the said Letter it was alleged that the drug Biocin was not of standard quality as examined under report numbering GA-111/2020 dated July 1, 2020, of Government Analyst State Drug Testing Laboratory. In the Letter, the Drug Inspector Office, Hazirabagh District asked our Company to provide documents and agreement dated April 1, 2019, and if our Company fails to do so, then appropriate action will be taken against our Company. Subsequently, this matter turned into legal proceedings before the Principal District and Sessions Judge, Hazaribag and is currently pending adjudication.

(iii). Claims related to direct and indirect taxes:

- **Direct Tax:**

As per website of Income Tax, the following e-proceedings are shown as pending with "open" or "pending" status. However, the amount has not been mentioned and cannot be crystallized:

As per website of Income Tax, the following e-proceedings are shown as pending with "open" or "pending" status. However, the amount has not been mentioned and cannot be crystallized:

Assessment Year	Proceeding Name and Description	State in which the case is being filed	Proceeding Status
2017-18	A Defective Notice was received by our Company under section 139(9) of the Income Tax Act, 1961 vide notice/communication reference ID CPC/1718/G5/1745992298 dated January 25, 2018, for ITR – 6. As such this E-proceeding is currently Pending.	Madhya Pradesh	Pending
2017-18	A Communication was received by our Company under section 143(1)(a) of the Income Tax Axt, 1961 ("Act") vide Communication reference no. CPC/1718/G21/1818517640 dated November 19, 2018, regarding Disallowance of expenditure indicated in the audit report but not taken into account in computing the total income in the return-under section 143(1)(a)(iv) of the Act. As per the notice the Income Tax return contains errors / incorrect claims / inconsistencies which attract adjustment(s) as under "Any sum received from employees as contribution to any provident fund or superannuation fund or any fund set up under ESI Act or any other fund for the welfare of employees to the extent not credited to the employees account on or before the due date [36(1)(va)]" amount mentioned in the Income Tax Return was Rs. 0 and Amount mentioned in Form Annexure 3CD was Rs. 50,600. Hence adjustment was proposed at Rs 50,600. Appropriate timely action was taken by the company and finally the ITR got processed with status "no demand / refund" vide intimation order dated February 04, 2019; however this E-proceeding is still Pending.	Madhya Pradesh	Pending
2018-19	A Communication was received by our Company under section 143(1)(a) of the Income Tax Axt, 1961 ("Act") vide Communication reference no. CPC/1819/G22/1881905958 dated February 28, 2019, regarding Disallowance of expenditure indicated in the audit report but not taken into account in computing the total income in the return-under section 143(1)(a)(iv) of the Act. As per the notice the Income Tax return contains errors / incorrect claims / inconsistencies which attract adjustment(s) as under "Any sum received from employees as contribution to any provident fund or superannuation fund or any fund set up under ESI Act or any other fund for the welfare of employees to the extent not credited to the employees account on or before the due date [36(1)(va)]" amount mentioned in the Income Tax Return was Rs. 0 and Amount mentioned in Form Annexure 3CD was Rs. 49,861. Hence adjustment was proposed at Rs 49,861. As such this E-proceeding is currently Pending.	Madhya Pradesh	Pending
2019-20	An Issue Letter was received by our Company vide DIN no. ITBA/RCV/F/17/2022-23/1043844884(1) dated July 14, 2022, for recovery of the outstanding demand, and assessing the Demand outstanding at Rs 9,00,660 +	Madhya Pradesh	Open

	Int. 220(2) for AY 2019-20 under section 143(1)(a) of the Income Tax Act, 1961. As such this E-proceeding is currently Open.		
2019-20	A Communication was received by our Company under section 143(1)(a) of the Income Tax Axt, 1961 ("Act") vide DIN CPC/1920/G22/1968635004 dated March 04, 2020, regarding Disallowance of expenditure indicated in the audit report but not taken into account in computing the total income in the return-under section 143(1)(a)(iv) of the Act. As per the notice the Income Tax return contains errors / incorrect claims / inconsistencies which attract adjustment(s) as under "Inconsistency in Total amount of disallowance under section 37 of the Act" amount mentioned in the Income Tax Return was Rs. 0 and Amount mentioned in Form Annexure 3CD was Rs. 42,394. Hence adjustment was proposed at Rs 42,394. As such this E-proceeding is currently Pending.	Madhya Pradesh	Pending
2021-22	An Issue Letter was received by our Company vide DIN no. ITBA/COM/F/17/2021-22/1034341586(1) dated July 20, 2021, regarding Application for Gratuity Scheme to be approved Under Part "C" of the Fourth Schedule to Income Tax Act, 1961 dated July 02, 2021. As per the letter the assessee was required to furnish the following details: • Copy of ITRs for AY 2020-21 and acknowledgment of AY 2018-19 & 2019-20 of the company; • PAN of the Trust; • Balance Sheet and Profit & Loss account for the last 3 years of the company duly self-attested; • Arrangement with LIC for payment of Gratuity to employees / LIC policy taken on and after May 26, 2020; and • To state whether the fund has been in existence during any year or years prior to the financial year in which the application for approval is made. As such this E-proceeding is currently Open.	Madhya Pradesh	Open
2021-22	An Issue Letter was received by our Company vide DIN no. ITBA/COM/F/17/2021-22/1035124083(1) dated August 26, 2021, regarding Approved Gratuity fund - Winding up - Letter. As per the letter the assessee was required to furnish details as required under the Issue Letter dated July 20, 2021 As such this E-proceeding is currently Open.	Madhya Pradesh	Open
2021-22	An Adjustment Notice was received by our Company under section 143(1)(a) of the Income Tax Act, 1961 vide Document Identification Number : EFL/2122/G22/ITR000215446308 dated April 12, 2022. As such this E-proceeding is currently Pending.	Madhya Pradesh	Pending

Not Available	Our Company had received a Notice having notice no. ITBA/RCV/S/221/2019-20/1024817013(1) issued on February 06, 2020 response due date on February 11, 2020 under section 221(1) of the Income Tax Act, 1961 which stated that the following demands raised against our Company have not been paid: ● Demand amount of Rs. 900 for AY 2013-14 u/s 1431a ● Demand amount of Rs. 1,07,280 for AY 2012-13 u/s 154 ● Demand amount of Rs. 230 for AY 2014-15 u/s 154 ● Demand amount of Rs. 10 for AY 2017-18 u/s 1431a The Income Tax department also wants to know why these penalties not levied to us and in case of if we were deposited the above-mentioned demand so please furnish the challans so that department will give us the credit for the same. The company has not made payment against these demand yet. As such this E-proceeding is currently Open.	Madhya Pradesh	Open

- **Income Tax:**

As per website of Income Tax Department for outstanding tax demand, following defaults in the payment of Income Tax by the Company are still outstanding:

Assessment Year	Section Code	Demand Identification Number	Date on which demand is raised	No. of Defaults	Outstanding Demand (in Rupees)	Final Interest (in Rupees)
2012	154	201320123702941672 3C	October 11, 2013	(1)	1,06,070	1,22,112
2013	143(1)(a)	20142013370327263 41C	October 16, 2014	(1)	900	918
2014	154	20152014370080534 73C	May 15, 2015	(1)	230	190
2019	154	20232019371949607 72C	September 18, 2023	(1)	11,53,360	0.00
2021	154	20232021371549351 82C	April 21, 2023	(1)	7,85,680	1,33,552
Total					**20,46,240**	**2,56,772**

- **Tax Deducted at Source (TDS):**

Sr. No	Financial Year	Total Default (in Rupees)
1	Prior Years	79,262.00
2	2020-21	59,295.00
3	2021-22	58,701.50
4	2023-24	50,674.00
Total		**2,47,932.50**

(iv). Other Matters based on Materiality Policy of our Company:

Nil

LITIGATION FILED BY OUR COMPANY:

(i). All criminal proceedings:

M/s Zenith Drugs Private Limited Through Laxman Singh Rajora v. M/s Riya Pharma Through Ram Sunder Jaipuria – SC NIA/3338/2023:

Our Company filed a case bearing number SC NIA/3338/2023 before the Judicial Magistrate, Senior Section, Indore against M/s Riya Pharma and Ors. **("Accused")** on May 01, 2023, for having insufficient balance in the Accused's account

at the time of encashment of the Cheque for Rs.4,00,000 provided to our Company for the goods taken on credit. The said matter is currently pending adjudication.

M/s Zenith Drugs Private Limited Through Sandeep v. Saurabh Gupta - SC NIA/3523/2019:

Our Company filed a case bearing number SC NIA/3523/2019 before the Judicial Magistrate, First Class, Indore, against Mr. Saurabh Gupta **("Accused")** on June 26, 2019, for having insufficient balance in the Accused's account at the time of encashment of two Cheques for Rs. 20,000 each provided to our Company for the medicines taken on credit. The said matter is currently pending adjudication.

M/s Zenith Drugs Private Limited Through Laxman Singh Rajora v. M/s Krish Forma Through Ravi Makwana - SC NIA/3733/2019:

Our Company filed a case bearing number SC NIA/3733/2019 before the Judicial Magistrate, First Class, Indore, against M/s Krish Forma **("Accused")** on July 23, 2019, for having insufficient balance in the Accused's account at the time of encashment of the Cheque for ₹ 10,000 provided to our Company for the goods taken on credit. The said matter is currently pending adjudication.

(ii). Other Matters based on Materiality Policy of our Company:

Nil

B. LITIGATION INVOLVING OUR SUBSIDIARY COMPANY:

LITIGATIONS AGAINST OUR SUBSIDIARY COMPANY:

(i). All criminal proceedings:

Nil

(ii). All actions by regulatory authorities and statutory authorities:

Nil

(iii). Claims related to direct and indirect taxes:

- **Direct Tax:**

As per website of Income Tax, the following e-proceedings are shown as pending with "open" or "pending" status. However, the amount has not been mentioned and cannot be crystallized:

Nil

- **Income Tax:**

As per website of Income Tax Department for outstanding tax demand, following defaults in the payment of Income Tax by the Company are still outstanding:

Nil

- **Tax Deducted at Source (TDS):**

Nil

(iv). Other Matters based on Materiality Policy of our Company:

Nil

LITIGATION FILED BY OUR SUBSIDIARY COMPANY:

(i). All criminal proceedings:

Nil

(ii). Other Matters based on Materiality Policy of our Company:

Nil

C. LITIGATION INVOLVING OUR PROMOTERS:

LITIGATIONS AGAINST OUR PROMOTERS:

(i). All criminal proceedings:

Nil

(ii). All actions by regulatory authorities and statutory authorities:

Nil

(iii). Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the promoters in the last five financial years including outstanding action:

Nil

(iv). Claims related to direct and indirect taxes:

- **Direct Tax:**

As per website of Income Tax, the following e-proceedings are shown as pending with "open" or "pending" status. However, the amount has not been mentioned and cannot be crystallized:

Assessment Year	Proceeding Name and Description	Proceeding Status
Bhupesh Soni		
2018-19	A Defective notice under section 139(9) of the Income Tax Act, 1961 vide Notice/ Communication Reference ID - CPC/1819/G5/1885160879 was received by Mr. Bhupesh Soni for Assessment Year 2018-19. Appropriate timely action was taken by the assessee; however, the said E-proceeding is still Pending.	Pending

- **Income Tax:**

As per website of Income Tax Department for outstanding tax demand, following defaults in the payment of Income Tax by the Promoters are still outstanding:

Assessment Year	Section Code	Demand Identification Number	Date on which demand is raised	No. of Defaults	Outstanding Demand (in Rupees)	Accrued Interest (in Rupees)
Ajay Singh Dassundi						
2023	143(1)(a)	202320233721386270 4T	November 06, 2023	(1)	1,09,280	2,184
Total:					**1,09,280**	**2,184**

(v). Other Matters based on Materiality Policy of our Company:

Nil

LITIGATION FILED BY OUR PROMOTERS:

(i). All criminal proceedings:

Nil

(ii). Other Matters based on Materiality Policy of our Company:

Nil

D. LITIGATION INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS):

LITIGATIONS AGAINST OUR DIRECTORS (OTHER THAN PROMOTERS):

(i). All criminal proceedings:

Nil

(ii). All actions by regulatory authorities and statutory authorities:

Nil

(iii). Claims related to direct and indirect taxes:

- **Direct Tax:**

As per website of Income Tax, the following e-proceedings are shown as pending with "open" or "pending" status. However, the amount has not been mentioned and cannot be crystallized:

Assessment Year	Proceeding Name and Description	Proceeding Status
Anil Malik		
2017-18	A Defective notice under section 139(9) of the Income Tax Act, 1961 vide Notice / Communication Reference ID - CPC/1718/G5/1731308057 was received by Mr. Anil Malik for Assessment Year 2017-18 for ITR 3 filed vide Acknowledgement Number : 113685340020817. Appropriate timely action was taken by the assessee; however, the said E-proceeding is still Pending.	Closed

- **Income Tax:**

As per website of Income Tax Department for outstanding tax demand, following defaults in the payment of Income Tax by the Directors (Other than Promoters) are still outstanding:

Assessment Year	Section Code	Demand Identification Number	Date on which demand is raised	No. of Defaults	Outstanding Demand (in Rupees)	Accrued Interest (in Rupees)
Anil Malik						
2003	143(1)	20102003510436013 71T	June 21, 2004	(1)	0.00	1,377
Total:					**0.00**	**1,377**

(iv). Other Matters based on Materiality Policy of our Company:

Nil

LITIGATION FILED BY OUR DIRECTORS (OTHER THAN PROMOTERS):

(i). All criminal proceedings:

Nil

(ii). Other Matters based on Materiality Policy of our Company:

Nil

(iii). Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Directors (Other than Promoters) in the last five financial years including outstanding action:

Nil

E. OUTSTANDINGS DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES OR ANY OTHER CREDITORS:

In accordance with our Company's materiality policy dated September 26, 2023, below are the details of the Creditors where there are outstanding amounts as on March 31, 2023:

Sr. No.	Particulars	Amount (in lakhs)
1.	Total Outstanding dues to Micro, Small & Medium Enterprises	1,987.39
2.	Total Outstanding dues to creditors other than Micro, Small & Medium Enterprises	3,173.42
Total		**5,160.81**

F. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET:

Except as mentioned under the chapter - "***Management Discussion and Analysis of Financial Condition and Result of Operation***" on page 180 of this Red Herring Prospectus, there have been no material developments since the date of the last audited balance sheet.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Board of Directors, pursuant to a resolution passed at their meeting held on September 16, 2023 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on September 16, 2023 authorized the Issue.

In-principle Approval:

Our Company has obtained In-Principle approval from the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") for using its name in the Offer Documents pursuant to an approval letter dated January 03, 2024 letter no NSE/LIST/2912 from Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge"). Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") is the Designated Stock Exchange.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Promoters, Promoter Group and Directors have not been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoters or Director.

- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.

- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Willful Defaulters or fraudulent borrowers.

PROHIBITION BY RBI

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrowers by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled "***Outstanding Litigations and Material Developments***" beginning on page 206 of this Red Herring Prospectus.

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, the Promoters and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of this Red Herring Prospectus.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled "***Outstanding Litigations and Material Developments***" beginning on page 206 respectively, of this Red Herring Prospectus.

ELIGIBILITY FOR THE ISSUE

Our Company is an ***"unlisted issuer"*** in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible in terms of Regulation 228, 229(2) and 230 of SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, Our Company is eligible for the Issue in accordance with Regulation 229(2) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue face value capital is more than ten crore rupees and upto twenty five crore rupees and we may hence, Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge").

We confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the total issue size. For further details pertaining to said underwriting please refer to chapter titled *"**General Information-Underwriting**"* beginning on page 52 of this Red Herring Prospectus.

In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this Issue on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge"). For further details of the arrangement of market making please refer to chapter titled ***"General Information" beginning*** on page 52 and details of the Market Making Arrangements for this please refer to chapter titled "***The Issue***" beginning on page 47 of this Red Herring Prospectus.

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed Allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.

In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.

In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender.

In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to National Stock Exchange of India Limited and National Stock Exchange of India Limited is the Designated Stock Exchange.

In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.

In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid-up.

In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on November 15, 2000 with the Registrar of Companies, Gwalior, under the Companies Act, 1956 in India.

2. Our Company is engaged in the business of manufacturers, producers, processors, makers, inventors, convertors, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists agents, subagents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in pharmaceuticals, drugs enzymes and sanitary napkins and all classes of chemicals used for manufacture of the aforesaid and all other kinds of chemicals and their by-products intermediates, derivatives, formulations and compounds.

3. The Paid-up Capital of the Company is ₹ 1,200.00 Lakh comprising 1,20,00,000 Equity shares.

4. The Post Issue Paid up Capital (Face Value) of the company will be ₹ 1,714.88 Lakhs* comprising 1,71,48,800 Equity Shares. So, the company has fulfilled the criteria of Post Issue Paid up Capital shall be more than Ten Crore Rupees and upto Twenty-Five Crore Rupees.

**Assuming Full subscription*

5. The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for atleast 3 financial years preceding the application and its net-worth as on March 31, 2023 is positive:

(₹ in Lakhs)

Particulars	For the period ended on	For financial year ended on		
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	Consolidated	Consolidated	Consolidated	Standalone
Networth [(1)]	2,264.97	1,724.42	1,209.09	895.27
EBITDA[(2)]	959.82	967.14	683.12	702.82

[(1)] Networth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

[(2)] EBITDA means Earnings Before Interest, Tax, Depreciation and Amortization.

6. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depositary Services Limited (CDSL) dated August 17, 2023 and National Securities Depository Limited (NSDL) dated August 21, 2023 for dematerialization of its Equity Shares already issued and proposed to be issued.

7. The Company has not been referred to Board for Industrial and Financial Reconstruction.

8. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.

9. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.

10. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.

11. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

12. There has been no significant change in the promoter(s) of the Company in the one year preceding the date of filing application to Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge").

13. The Company has a website: www.zenithdrugs.com

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge").

COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, GRETEX CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, GRETEX CORPORATE SERVICES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 08, 2024. THE FILING OF THIS RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND / OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENTS / OFFER DOCUMENTS.

Note:

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in this Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Gwalior in terms of Section 26 & 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk. The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the agreement entered between the Book Running Lead Manager (Gretex Corporate Services Limited) and our Company on September 25, 2023 & addendum to the Agreement dated January 24, 2024 and the Underwriting Agreement dated September 25, 2023 entered into between the Underwriters and our Company & addendum to the Agreement dated January 24, 2024 and the Market Making Agreement dated September 25, 2023 entered into among the Market Maker and our Company & addendum to the Agreement dated January 24, 2024. All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

CAUTION

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s. Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Red Herring Prospectus and the website of the Book Running Lead Manager at www.gretexcorporate.com.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Gwalior, Madhya Pradesh only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed at Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") for its observations and NSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the

registration requirements of the Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2912 dated January 03, 2024, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

FILING

The Draft Red Herring Prospectus is being filed with Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") Exchange Plaza, C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India. The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered for filing to the Registrar of Companies, Gwalior, 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madhya Pradesh.

LISTING

An Application have been made to Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") after the allotment in the Issue. Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge of NSE mentioned above are taken within Three (3) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Three (3) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

The Company has obtained approval from NSE vide letter dated January 03, 2024 letter no NSE/LIST/2912 to use the name of NSE in this issue document for listing of equity shares on Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge").

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who-

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

- *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

- *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under Section 447 of the Companies, Act 2013.*

CONSENTS

Consents in writing of (a) Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review Auditor, Statutory Auditor, Key Managerial Personnel, Banker(s) to the Company, Banker to the Issue; Book Running Lead Manager to the Issue, Syndicate Member to the Issue, Underwriters to the Issue, Market Maker to the Issue, Registrar to the Issue and Legal Advisor to the Issue to act in their respective capacities shall be obtained as required as required under Section 26 & 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC. The Peer Review auditor has given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. Badaya & Co., Chartered Accountants, the Peer Review Auditor of the Company have agreed to provide their written consent to the inclusion of their respective reports on "***Statement of Possible Tax Benefits***" relating to the possible tax benefits and Restated Consolidated Financial Statements as included in this Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Red Herring Prospectus.

EXPERT TO THE ISSUE

Except as stated below, our Company has not obtained any expert opinions:

- Report of the Statement of Possible of Tax Benefits dated September 25, 2023.

- Report of the Auditor on the Restated Consolidated Financial Statements for the period ended on September 30, 2023 and financial year ended on March 31, 2023, March 31, 2022 and Restated Standalone Financial Statements for the financial year ended on March 31, 2021 of our Company dated January 24, 2024.

EXPENSES TO THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter "***Objects of the Issue***" beginning on page 80 of this Red Herring Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated September 25, 2023 and addendum to the Agreement dated January 24, 2024 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and / or public issues since incorporation and are an ***"Unlisted Issuer"*** in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an ***"Initial Public Offering"*** in terms of the SEBI (ICDR) Regulations, 2018.

CAPITAL ISSUES IN THE LAST THREE (3) YEARS BY LISTED GROUP COMPANIES / SUBSIDIARY / ASSOCIATES

None of our Group Company / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years. We do not have any subsidiary as on date of this Red Herring Prospectus.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled "***Capital Structure***" beginning on page 63 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS.

None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an ***"Unlisted Issuer"*** in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

LISTED SUBSIDIARY / PROMOTER

We do not have any listed Subsidiary or Promoter Company as on date of this Red Herring Prospectus.

OPTION TO SUBSCRIBE

a) Investors will get the allotment of specified securities in dematerialization form only.

b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

Our company has issued debentures and the details of the debentures are mentioned in the chapter "***Statement of Financial Indebtedness"*** on page no 195.

OUTSTANDING CONVERTIBLE INSTRUMENTS:

Our Company does not have any outstanding convertible instruments as on the date of filing this Red Herring Prospectus.

PARTLY PAID-UP SHARES

As on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an ***"Unlisted Issuer"*** in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an ***"Initial Public Offering"*** in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company has appointed Bigshare Services Private Limited as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the

applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company will obtain authentication on the SCORES in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI Circular (CIR/OIAE/1/2014) dated December 18, 2014, and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 in relation to redressal of investor grievances through SCORES. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on September 26, 2023. For further details, please refer to the chapter titled "***Our Management***" beginning on page 149 of this Red Herring Prospectus.

Our Company has appointed Ms. Sakshi Bhawsar as Company Secretary and Compliance Officer and she may be contacted at the following address:

Ms. Sakshi Bhawsar
K. No. 72/5, Village Muradpura NA Depalpur Indore -453001, Madhya Pradesh, India.
Tel: +91 84355 01867
Email: cs@zenithdrugs.com
Website: www.zenithdrugs.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

Status of Investor Complaints

We confirm that we have not received any investor compliant during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

Disposal of Investor Grievances by Listed Companies under the same Management

None of our Group Companies / Associates / Subsidiary are listed on any Stock Exchange as on the date of filing this Red Herring Prospectus.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "***Capital Structure***" beginning on page 63 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

TAX IMPLICATIONS

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "***Statement of Possible Tax Benefits***" beginning on page 96 of this Red Herring Prospectus.

PURCHASE OF PROPERTY

Other than as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled "***Our Management***" and "***Related Party Transactions***" beginning on pages 149 and 178 respectively of this Red Herring Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

SECTION XI: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government Of India, the Stock Exchange, the RoC, the RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government Of India, the Stock Exchange, the RoC and / or any other authorities while granting its approval for the Issue.

Please note that, in terms of Regulation 256 of the SEBI (ICDR) Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, (together, the "UPI Circular") in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 ("UPI Phase II"). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. However, due to the outbreak of COVID19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 ("UPI Phase III"). Accordingly, the Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

AUTHORITY FOR THE PRESENT ISSUE

This Public Issue has been authorized by a resolution of our Board of Directors passed at their meeting held on September 16, 2023 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the General Meeting. The shareholders have authorized the Issue by a Special Resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on September 16, 2023.

RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our MoA and AoA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company

after the date of Allotment. For further details, please refer to section titled, '***Main Provisions of Article of Association'***, beginning on page 272 of this Red Herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection there to and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association. For further details in relation to dividends, please refer to sections titled, '***Dividend Policy***' and '***Main Provisions of Article of Association'***, beginning on page 177 and 272 respectively, of this Red Herring Prospectus.

FACE VALUE AND ISSUE PRICE

The face value of each Equity Share is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ **75.00** per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹ **79.00** per Equity Share ("Cap Price"). The Anchor Investor Issue Price is ₹ **79.00** per Equity Share.

The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the Book Running Lead Manager, after the Bid / Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager and is justified under the Section titled, '***Basis for Issue Price***', beginning on page 89 of this Red Herring Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH ICDR REGULATIONS

Our Company shall comply with all requirements of the ICDR Regulations, as amended time to time.

COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the AoA, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive annual reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules and regulations; and

- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.

For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, etc., please refer to Section titled, '***Main Provisions of the Articles of Association***', beginning on page 272 of this Red Herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated between August 21, 2023 NSDL, our Company and Registrar to the Issue; and

- Tripartite Agreement dated August 17, 2023 between CDSL, our Company and Registrar to the Issue.

The ISIN of the company is INE0QWN01013.

MARKET LOT AND TRADING LOT

Trading of the Equity Shares will happen in the minimum contract size of 1,600 Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012, and the same may be modified by NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1,600 Equity Share subject to a minimum allotment of 1,600 Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 Working Days of closure of Issue.

JOINT HOLDERS

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, the First / Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- to register himself or herself as the holder of the Equity Shares; or

- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company, in consultation with Book Running Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

ISSUE PROGRAM

Bid / Issue Opens on	Monday, February 19, 2024#
Bid / Issue Closes on	Thursday, February 22, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Friday, February 23, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*	On or about Monday, February 26, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or about Monday, February 26, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Tuesday, February 27, 2024

Since 19th February 2024 is a Bank Holiday on account of "Chhatrapati Shivaji Maharaj Jayanti" in the state of Maharashtra, Hence, Banks will not be working on the said date. However, investors can bid through online portals.

Note [1]Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Issue Period shall be one Working Day prior to the Bid / Issue Opening Date in accordance with the SEBI ICDR Regulations

[2]Our Company in consultation with the Book Running Lead Manager, consider closing the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations.

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in*

amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue Book Running Lead Manager shall be liable for compensating the Applicant at a uniform rate of 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Submission of Application Forms:

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. to 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. to 3.00***#** p.m. IST

**UPI mandate end time and date shall be at 5.00 pm on Issue / Offer Closing Date*

On the Issue Closing Date, the Applications shall be uploaded until:

III. Until 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
IV. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to the Stock Exchange.

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid / Issue Closing Date, Applicants are advised to submit their applications 1(one) day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. (IST) on the Bid / Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of Bid-Cum-Application Forms are received on the Issue Closing Date, as is typically experienced in public issue, some Bid-Cum-Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Bid-Cum-Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid-Cum-Application Forms due to faults in any software / hardware system or otherwise.

In accordance with ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application Amount) at any stage. Retail Individual Investors can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Investors, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from EMERGE platform of National Stock Exchange of India Limited may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid / Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid / Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid / Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

MINIMUM SUBSCRIPTION

In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level .

As per section 39 of the new Companies Act, if the "stated minimum amount" has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of Red Herring Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹1.00 Lakhs (Rupees One Lakhs) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of **1,600** Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge platform of National Stock Exchange of India Limited.

APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS

It is to be understood that there is no reservation for Eligible NRIs or FPIs / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20 / 2000-RB dated May 03, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for Equity Share allocation.

RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the Section titled, '***Capital Structure***', beginning on page 63 of this Red Herring Prospectus, and except as provided in the AoA of our Company, there are no restrictions on transfer and transmission and on their consolidation / splitting of Equity Shares. For further details, please refer to the Section titled, '***Main Provisions of the Articles of Association***', beginning on page 272 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the Applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

NEW FINANCIAL INSTRUMENTS

As on the date of this Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

Further, in accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board of NSE from the NSE EMERGE on a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above ₹2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two

times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down for Migration.

OR

If the Paid up Capital of our company is more than ₹1,000 lakhs but below ₹2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid down for Migration and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

For detailed criteria please refer to www.nseindia.com

MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited, wherein the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the Emerge platform of National Stock Exchange of India Limited for a minimum period of 3 years from the date of listing on the Emerge Platform of National Stock Exchange of India Limited.

For further details of the agreement entered into between our Company, the Book Running Lead Manager and the Market Maker please refer to Section titled, '***General Information - Details of the Market Making Arrangements for this Issue***', beginning on page 52 of this Red Herring Prospectus.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Indore, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Red Herring Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue paid up capital is more than ten crore rupees and upto twenty-five crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the Emerge Platform of National Stock Exchange of India Limited. For further details regarding the salient features and terms of such this issue, please refer to chapter titled ***"Terms of the Issue"*** and ***"Issue Procedure"*** beginning on page 226 and 238 respectively of this Red Herring Prospectus.

Initial Public Issue of upto 51,48,800 Equity Shares of ₹10.00 each (the "Equity Shares") for cash at a price of ₹[●] per Equity Share (including a Share Premium of ₹[●] per Equity Share), aggregating upto ₹[●] Lakhs ("the Issue") by the issuer Company (the "Company").

The Issue comprises a reservation of upto 8,52,800 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakhs for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Issue to Public of upto 42,96,000 Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakhs (the Net Issue). The Issue and the Net Issue will constitute 30.02% and 25.05% respectively of the Post Issue Paid-up Equity Share Capital of the Company. The Issue is being made through the Book Building Process.

Particulars of the Issue [(2)]	Market Maker Reservation Portion	QIBs [(1)]	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation	Upto 8,52,800 Equity Shares	Not more than 21,47,200 Equity Shares	Not less than 6,44,800 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail IndividualBidders.	Not less than 15,04,000 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue Size available for allocation	16.56 % of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, upto 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion willbe added to the Net QIB Portion.	Not less than 15% of the Issue less allocation to QIB Bidders and RIBs will be available for allocation.	Not less than 35% of the Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment [(3)]	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Upto [●] Equity Shares shall be	Allotment to each Non- Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, subject to availability of EquityShares in the

		available for allocation on a proportionate basis to Mutual Funds only; and Upto [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Upto 60% of the QIB Portion (of upto [●] Equity Shares may be allocated ona discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from MutualFunds at or above the Anchor Investor Allocation (b) Price	availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see ***"Issue Procedure"*** beginning on page 238 of this Red Herring Prospectus.	Retail Portionand the remaining available Equity Shares is any, shall be allotted on proportionate basis. Fordetails, see ***"Issue Procedure"*** beginning onpage 238 of this Red Herring Prospectus.
Mode of Allotment	Compulsorily in dematerialized form.			
Minimum Bid Size	Upto 8,52,800Equity Shares	Such number of Equity Shares and in multiples of 1,600 Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of 1,600 Equity Shares that the Bid Amount exceeds ₹200,000	1,600 Equity Shares
Maximum Bid Size	Upto 8,52,800 Equity Shares	Such number of Equity Shares in multiples of 1,600 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of 1,600 Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of 1,600 Equity Shares so that the Bid Amount does not exceed ₹200,000
Trading Lot	1,600 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	1,600 Equity Shares and inmultiples thereof	1,600 Equity Shares and in multiples thereof	1,600 Equity Shares and inmultiples thereof
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the timeof submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)]			

Mode of Bid	Only through the ASBA process.		Only through the ASBAprocess	Through ASBA Process Through Banks or by usingUPI ID for payment

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

(1) Our Company may, in consultation with the Book Running Lead Managers, allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

(3) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under ***"Issue Procedure - Bids by FPIs"*** on page 238 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with Book Running Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

JURISDICTION

Exclusive jurisdiction for the purpose of this issue is with the competent courts / authorities at Indore, Madhya Pradesh.

ISSUE PROGRAMME

Bid / Issue Opens on	Monday, February 19, 2024#
Bid / Issue Closes on	Thursday, February 22, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Friday, February 23, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about Monday, February 26, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or about Monday, February 26, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Tuesday, February 27, 2024

Since 19th February 2024 is a Bank Holiday on account of "Chhatrapati Shivaji Maharaj Jayanti" in the state of Maharashtra, Hence, Banks will not be working on the said date. However, investors can bid through online portals.

Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Issue Period shall be one Working Day prior to the Bid / Issue Opening Date in accordance with the SEBI ICDR Regulations.

Applications and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form except that on the Issue Closing Date applications will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time).

Standardization of cut-off time for uploading of applications on the Bid / Issue Closing Date:

a) A standard cut-off time of 3.00 P.M. for acceptance of applications.

b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.

c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to NSE within half an hour of such closure.

It is clarified that Bids not uploaded would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid-Cum-application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8,2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020.Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("UPI Phase III"), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on / or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited ("NSE EMERGE") to act as intermediaries for submitting Application Forms are provided on www1.nseindia.com/emerge For details on their designated branches for submitting Application Forms, please see the above mentioned website of Platform of National Stock Exchange of India Limited ("NSE EMERGE").

Please note that the information stated / covered in this section may not be complete and / or accurate and as such would be subject to modification / change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, the Company and the Book Running Lead Manager are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.

PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six working days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

Pursuant to the SEBI UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the SEBI UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – issue Book Running Lead Manager will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public Offers where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")
- a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- a registrar to the issue and shares transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the Book Running Lead Manager's.

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue Paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process.

The allocation to the public will be made as per Regulation 253 of SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the Book Running Lead Manager, allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Accordingly, we have allocated the Net Issue i.e., not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders and not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. Eligible Employees Bidding in the Employee Reservation Portion Bidding using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Offer, Registrar to the Offer as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. The Application Form shall contain space for Indicating number of specified securities subscribed for in Demat form.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All ASBA Bidders must provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected.

UPI Bidders Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. Applications made by the UPI Bidder using third party bank account or using third party linked bank account UPI ID are liable for rejection. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and Bid cum Application Forms not bearing such specified stamp may be liable for rejection.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSBs or sponsor banks, as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Anchor Investors[1]	Grey
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	White
Non-Residents including FPIs, Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis ^	Blue

**Excluding electronic Bid cum Application Form*

^Electronic Bid cum Application Form and the abridged prospectus will be made available for download on the website of the stock exchange (www.nseindia.com)

[1] Bid cum Application Forms for Anchor Investors shall be available at the offices of the Book Running Lead Manager

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit / deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – "Designated Intermediaries")

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid / Issue Closing Date ("Cut-Off Time"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut- off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid / Issue Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank and the Bankers to the Issue. The Book Running Lead Managers shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Issue for analysing the same and fixing liability.

Stock exchange shall allow modification of selected fields viz. DP ID / Client ID or Pan ID (Either DP ID / Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of Red Herring Prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid / Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: ―Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;

- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

- Mutual Funds registered with SEBI;

- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;

- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);

- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- Foreign Venture Capital Investors registered with the SEBI;
- Trusts / societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and / or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Multilateral and bilateral development financial institution;
- Eligible QFIs;
- Insurance funds set up and managed by army, navy or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

- Minors (except through their Guardians)
- Partnership firms or their nominations
- Foreign Nationals (except NRIs)
- Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed 2,00,000.00. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed 2,00,000.00.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000.00 and in multiples of 1,600 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000.00 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company in consultation with the Book Running Lead Manager has decided the Price Band and the minimum Bid lot size for the Issue. The Book Running Lead Manager and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid / Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Indore Edition of Regional newspaper Hamara Swaraj where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.

b) During the Bid / Issue Period, Retail Individual Bidders, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid / Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.

c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels and Revision of Bids" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder / Applicant at or above the Issue Price will be considered for allocation / Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a Book Running Lead Manager or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another Book Running Lead Manager or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph ***"Build-up of the Book and Revision of Bids".***

e) Except in relation to the Bids received from the Anchor Investors, the Book Running Lead Manager / the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

f) The Book Running Lead Manager shall accept the Bids from the Anchor Investors during the Anchor Investor Bid / Issue Period i.e., one working day prior to the Bid / Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in "Escrow Mechanism - Terms of payment and payment into the Escrow Accounts" in the section ***"Issue Procedure"*** beginning on page 238 of this Red Herring Prospectus.

h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.

i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal / failure of the Issue or until withdrawal / rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

a) Our Company in consultation with the Book Running Lead Manager, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid / Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e., the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

b) Our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque / demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

PARTICIPATION BY ASSOCIATES / AFFILIATES OF BOOK RUNNING LEAD MANAGER AND THE SYNDICATE MEMBERS:

The Book Running Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the Book Running Lead Manager nor any persons related to the Book Running Lead Manager (other than Mutual Funds sponsored by entities related to the Book Running Lead Manager), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

OPTION TO SUBSCRIBE IN THE ISSUE:

a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in Demat segment only.

c) A single application from any investor shall not exceed the investment limit / minimum number of Equity Shares that can be held by him / her / it under the relevant regulations / statutory guidelines and applicable law.

INFORMATION FOR THE BIDDERS:

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.

4. Any Bidder who would like to obtain the Red Herring Prospectus and / or the Bid Cum Application Form can obtain the same from our Registered Office.

5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first

Bidder (the first name under which the beneficiary account is held), should mention his / her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in the Issue for upto 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1) (ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the Book Running Lead Manager.

2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs.

3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4. Bidding for Anchor Investors will open one Working Day before the Bid / Issue Opening Date and be completed on the same day.

5. Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:

   - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.

   - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and

   - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.

6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid / Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid / Issue Opening Date, through intimation to the Stock Exchange.

7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid / Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.

10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

11. The Book Running Lead Manager, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the Book Running Lead Manager) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the Book Running Lead Manager and made available as part of the records of the Book Running Lead Manager for inspection by SEBI.

12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS BY ELIGIBLE NRI'S:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Book Running Lead Manager and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

BIDS BY FPI INCLUDING FII'S:

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under

the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUFS:

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a Networth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

- The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

- The industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and / or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.

b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.

c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form.

d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.

e) Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹25.00 Crore (subject to applicable law) and pension funds with minimum corpus of ₹25.00 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSB'S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Book Running Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) BIDDERS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

TERMS OF PAYMENT

The entire Issue price of ₹[●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

PAYMENT MECHANISM

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

PAYMENT INTO ESCROW ACCOUNT FOR ANCHOR INVESTORS

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

a) In case of resident Anchor Investors: ― "Zenith Drugs Limited Anchor Investor - R"

b) In case of Non-Resident Anchor Investors: ― "Zenith Drugs Limited Anchor Investor - NR"

c) Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,

a) the applications accepted by them,

b) the applications uploaded by them

c) the applications accepted but not uploaded by them or

d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to;

   (i) The applications accepted by any Designated Intermediaries

   (ii) The applications uploaded by any Designated Intermediaries or

   (iii) The applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:

   - Name of the Bidder;
   - IPO Name:
   - Bid Cum Application Form Number;
   - Investor Category PAN (of First Bidder, if more than one Bidder);
   - DP ID of the demat account of the Bidder;
   - Client Identification Number of the demat account of the Bidder;
   - Number of Equity Shares Applied for;
   - Bank Account details;
   - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
   - Bank account number.

8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and / or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid / Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Bid / Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

BUILD OF THE BOOK

a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Manager at the end of the Bid / Issue Period.

b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid / Issue Period.

WITHDRAWAL OF BIDS

a) RIIs can withdraw their Bids until Bid / Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid / Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

PRICE DISCOVERY AND ALLOCATION

a) Based on the demand generated at various price levels, our Company in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the Anchor Investor Issue Price.

b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.

c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in consultation with the Book Running Lead Manager, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Issue Price and cut-off

Bids are valid Bids and are considered for allocation in the respective categories.

SIGNING OF UNDERWRITING AGREEMENT AND REGISTERING OF RED HERRING PROSPECTUS / PROSPECTUS WITH ROC

a) Our company has entered into an Underwriting Agreement dated September 25, 2023 and addendum to the Agreement dated January 24, 2024.

b) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 26 & 32 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid / Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS:

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid / Issue period and withdraw their Bids until Bid / Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;

6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;

8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.

9. Ensure that the name(s) given in the Bid cum Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;

11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

14. Ensure that the Demographic Details are updated, true and correct in all respects;

15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

17. Ensure that the category and the investor status is indicated;

18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;

19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;

22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;

23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;

24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;

25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only.

5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;

6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;

9. Do not Bid for a Bid Amount exceed ₹ 2,00,000.00 (for Applications by Retail Individual Bidders);

10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

11. Do not submit the General Index Register number instead of the PAN;

12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;

13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;

14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

OTHER INSTRUCTIONS FOR THE BIDDERS' JOINT BIDS

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form / Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre-issue or post issue related problems regarding demat credit / refund orders / unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

Submission of Bids

a) During the Bid / Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.

b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).

c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the Red Herring Prospectus.

GROUNDS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;

- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Red Herring Prospectus;

- The amounts mentioned in the Bid cum Application Form / Application Form does not tally with the amount payable for the value of the Equity Shares Bid / Applied for;

- Bids for lower number of Equity Shares than the minimum specified for that category of investors;

- Category not ticked;

- Multiple Bids as defined in the Red Herring Prospectus;

- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;

- Bid accompanied by Stock invest / money order / postal order / cash / cheque / demand draft / pay order;

- Signature of sole Bidder is missing;

- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid / Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;

- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant 's identity (DP ID) and the beneficiary 's account numbers.

- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;

- Bid by OCBs;

- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act.

- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form / Application Form at the time of blocking such Bid Amount in the bank account;

- Bids not uploaded on the terminals of the Stock Exchanges

- Where no confirmation is received from SCSB for blocking of funds;

- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form / Application Form. Bids not duly signed by the sole / First Bidder;

- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;

- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;

- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and

- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF

THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.

- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

- In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Red Herring Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a) For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 15,04,000 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 15,04,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b) For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 6,44,800 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 6,44,800 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c) For QIBs

For the Basis of Allotment to Anchor Investors, Bidders / Applicants may refer to the SEBI ICDR Regulations or Red Herring Prospectus / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for 5.00 % of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds 5.00 % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5.00 % of the QIB Portion.

- In the event that the aggregate demand from Mutual Funds is less than 5.00 % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.

- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter for 5.00 % of the QIB Portion.

- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter, along with other QIB Bidders.

- Under-subscription below 5.00 % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than 21,47,200 Equity Shares.

d) ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:

i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹2 crores;

- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹2 crores and up to ₹25 crores subject to minimum allotment of ₹1 crores per such Anchor Investor; and

- in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the Book Running Lead Manager, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue Being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).

b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).

c) For Bids where the proportionate allotment works out to less than 1,600 equity shares the allotment will be made as follows:

- Each successful Bidder shall be allotted 1,600 equity shares; and
- The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 1,600 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 1,600 equity shares subject to a minimum allotment of 1,600 equity shares.

e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1,600 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Red Herring Prospectus.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000.00 Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

ISSUANCE OF ALLOTMENT ADVICE:

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

3. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

DESIGNATED DATE:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment / or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid / Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM:

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., www.bseindia.com and NSE i.e., www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e., www.nseindia.com

BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS:

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF BID CUM APPLICATION FORM:

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

COMMUNICATIONS:

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY:

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE EMERGE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;

2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

RIGHT TO REJECT APPLICATIONS:

In case of QIB Bidders, the Company in consultation with the Book Running Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

IMPERSONATION:

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

(a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

UNDERTAKINGS BY OUR COMPANY:

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;

2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.

3. That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

4. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

5. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

6. That our Promoters' contribution in full has already been brought in;

7. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;

8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;

9. If our Company does not proceed with the Issue after the Bid / Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid / Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

10. If our Company withdraws the Issue after the Bid / Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange / RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;

11. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

UTILIZATION OF ISSUE PROCEEDS:

The Board of Directors of our Company certifies that:

1. All monies received out of the Issue shall be credited / transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;

2. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized

3. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and

4. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL:

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) Tripartite Agreement dated August 21, 2023 between NSDL, our Company and Registrar to the Issue; and
b) Tripartite Agreement August 17, 2023 between CDSL, our Company and Registrar to the Issue.
c) The Company's equity shares bear an International Securities Identification Number INE0QWN01013

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2) / 2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015, as updated from time to time by RBI and Master Direction– Foreign Investment in India (updated up to March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Section 4 of the FDI Policy 2020 has to be obtained. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that

(i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations;

(ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and

(iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction / purview,

such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

INVESTMENT CONDITIONS / RESTRICTIONS FOR OVERSEAS ENTITIES:

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI / OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral / statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and / or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral / statutory cap.

INVESTMENT BY FPIS UNDER PORTFOLIO INVESTMENT SCHEME (PIS):

With regards to purchase / sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24% may be increased up to sectoral cap / statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

INVESTMENT BY NRI OR OCI ON REPATRIATION BASIS:

The purchase / sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

INVESTMENT BY NRI OR OCI ON NON-REPATRIATION BASIS:

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase / sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-

repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

THE COMPANIES ACT 2013

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF
[1]ZENITH DRUGS LIMITED
(Formerly Known as ZENITH DRUGS PRIVATE LIMITED)

Pursuant to Schedule I of the Companies Act, 2013 and the SEBI (ICDR) Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

1.	No regulation contained in **Table "F"** in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable
	INTERPRETATION CLAUSE	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) "The Company" shall mean 'ZENITH DRUGS LIMITED' (*ZENITH DRUGS PRIVATE LIMITED)	
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender

1. In the extra ordinary General Meeting of shareholder held on September 05, 2023, special resolution has been passed for adoption of new set of Article of association which is applicable to Public Company as per Company Act, 2013. Earlier set of Articles of Association appended after these new set of Article of Association

	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) "Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting

	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(aa) "Year" means the "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	Increase of capital by the Company how carried into effect
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non-Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares

9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be affected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	Provisions to apply on issue of Redeemable Preference Shares
10.	The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	Reduction of capital
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	Debentures
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	Issue of Sweat Equity Shares
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	ESOP
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	Subject to the provisions of Section 61of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidation, Sub-Division and Cancellation
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts

17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
	MODIFICATION OF CLASS RIGHTS	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three- fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	Modification of rights
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	Shares at the disposal of the Directors
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid- up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc. to be a debt payable immediately.

25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of shares
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
28.	a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act. c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. d) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is —"Issued in lieu of Share Certificate No..... sub divided / replaced / on consolidation of Shares".	Share Certificates
29.	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50.00 for each	Issue of new certificates in place of those defaced, lost or destroyed.

	certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognize any interest in share other than that of registered holders.
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	Directors may make calls
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.

39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
40.	If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest upon the sum at such rate not exceeding 12% per annum or at such lower rate, if any, as the Board may determine, but the Board of Directors shall be at liberty to waive payment of that interest wholly or in part.	Calls to carry interest.
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	Proof on trial of suit for money due on shares.
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	Payments in Anticipation of calls may carry interest
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares / debentures (other than fully paid-up shares / debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares / debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares / debentures shall operate as a waiver of the Company's lien if any, on such shares /	Company to have Lien on shares.

	debentures. The Directors may at any time declare any shares / debentures wholly or in part to be exempt from the provisions of this clause. Provided that the fully paid shares shall be free from all lien, while in the case of partly paid shares, the company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.	
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	As to enforcing lien by sale
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	Application of proceeds of sale
	FORFEITURE AND SURRENDER OF SHARES	
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	If call or installment not paid, notice may be given
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of notice
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and maybe sold etc.

53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of Forfeiture
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares
	TRANSFER AND TRANSMISSION OF SHARES	
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. Provided that the company shall use a common form of transfer.	Transfer Form
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share	Transfer not to be registered except on production of instrument of transfer

	certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	Directors may refuse to register transfer
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer
67.	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and / or the Register of debentures holders and / or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debenture holder or other security holders
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly-paid shares
70.	For this purpose, the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post / speed post / courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee
71.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	Recognition of legal representative
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or	Titles of Shares of deceased Member

	holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	Notice of application when to be given
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer. (transmission clause)
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	Company not liable for disregard of a notice prohibiting registration of transfer
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
80.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his / her securities shall vest in the event of his / her death and the provisions of Section 72 of the Companies Act, 2013shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the	Nomination

	Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	
81.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be; (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.	Transmission of securities by nominee
	DEMATERIALISATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	Power to issue share warrants
86.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.	Deposit of share warrants

	(b) Not more than one person shall be recognized as depositor of the Share warrant. The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	Privileges and disabilities of the holders of share warrant
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
	CONVERSION OF SHARES INTO STOCK	
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	Transfer of stock
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stock holders
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.	Regulations
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges

95.	The payment and / or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	Securing payment or repayment of Moneys borrowed
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra- Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	Chairman of General Meeting
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant

104.	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Chairman with his consent may adjourn meeting
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business
	VOTES OF MEMBERS	
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	Number of votes each member entitled
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business / resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
114.	a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Votes of joint members

115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representative
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	Representation of a body corporate
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	Members paying money in advance
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objections to votes
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote
	DIRECTORS	

125.	(a) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution (b) Followings are the first directors of the company: **1.** Ramniklal T. Soni **2.** Mukesh Jain	Number of Directors
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares
127.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director / s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director / s so appointed. The said Nominee Director / s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director / s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director / s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him / them to the Financial Institution appointing him / them as such Director / s.	Nominee Directors
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of Alternate Director
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	Additional Director
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors power to fill casual vacancies
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing / Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses Incurred by Director on Company's business
	PROCEEDING OF THE BOARD OF DIRECTORS	
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Meetings of Directors

134.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within Fifteen minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	Chairperson
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	Continuing directors may act notwithstanding any vacancy in the Board
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time-to-time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meeting show to be governed
139.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Chairperson of Committee Meetings
140.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	Meetings of the Committee
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment
	RETIREMENT AND ROTATION OF DIRECTORS	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
	POWERS OF THE BOARD	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
144.		Certain powers of the Board

	(1)	Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property, rights etc.
	(2)	Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease
	(3)	To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct
	(4)	At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	To pay for property
	(5)	To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company
	(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts
	(7)	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage
	(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares
	(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company
	(10)	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	To conduct legal proceedings
	(11)	To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	(12)	To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge
	(13)	Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company

	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security byway of indemnity
	(15) To determine from time-to-time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	Transfer to Reserve Funds
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	To appoint and remove officers and other employees
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of	To appoint Attorneys

		any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21)	Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts
	(22)	From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules
	(23)	To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(24)	To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25)	To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40of the Act and of the provisions contained in these presents.	To pay commissions or interest
	(26)	To redeem preference shares.	To redeem preference shares
	(27)	To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions
	(28)	To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.	
	(29)	To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30)	To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31)	To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.	
	(32)	To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.	

	(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.	
	(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.	
	(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.	
	(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.	
	(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers / authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.	
	(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole- time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re- appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	Powers to appoint Managing / Whole-time Directors
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Whole-time Director

147.	(1) Subject to control, direction and supervision of the Board of Directors, the day-today management of the company will be in the hands of the Managing Director or Whole- time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole time Director or Whole time Directors of the Company and may exercise all the powers referred to in these Articles. (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	Powers and duties of Managing Director or Whole-time Director
	CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER	
148.	a) Subject to the provisions of the Act,— i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	Board to appoint Chief Executive Officer / Manager / Company Secretary / Chief Financial Officer
	THE SEAL	
149.	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	The seal, its custody and use
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	Deeds how executed
	DIVIDEND AND RESERVES	
151.	(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid	Division of profits

	or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends
153.	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Transfer to reserves
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to	Dividends how remitted

	whom it is sent.	
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends
	CAPITALIZATION	
165.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	Capitalization
166.	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and (b) generally to do all acts and things required to give effect thereto. (2) The Board shall have full power - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such members. (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.	Fractional Certificates
167.	(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of ₹ 10 per page or any part thereof.	Inspection of Minutes Books of General Meetings

168.	a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.	Inspection of Accounts
	FOREIGN REGISTER	
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register
	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings
	WINDING UP	
172.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
	INDEMNITY	
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	Directors' and others right to indemnity
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	Not responsible for acts of others
	SECRECY	

175.	a)	Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	b)	No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	Access to property information etc.

SECTION XIII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the Registrar of Companies for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at Registered Office at K. No. 72 / 5, Village Muradpura, NA, Depalpur, Indore-453001, Madhya Pradesh, India from date of filing the Red Herring Prospectus with ROC to Issue Closing Date on working days from 10:00 a.m. to 5:00 p.m. and also on the website of the Company at www.zenithdrugs.com.

A. Material Contracts

1. Memorandum of Understanding dated September 25, 2023 between our Company and the Book Running Lead Manager and addendum to the Agreement dated January 24, 2024.

2. Registrar to the Issue Agreement dated September 25, 2023 between our Company and the Registrar to the Issue and addendum to the Agreement dated January 24, 2024.

3. Underwriting Agreement dated September 25, 2023 between our Company, the Book Running Lead Manager and Underwriters and addendum to the Agreement dated January 24, 2024.

4. Market Making Agreement dated September 25, 2023 between our Company, Book Running Lead Manager and Market Maker and addendum to the Agreement dated January 24, 2024.

5. Banker to the Issue Agreement dated January 24, 2024 between our Company, the Book Running Lead Manager, Banker to the Issue / Sponsor Bank and Registrar to the Issue.

6. Syndicate Agreement dated January 24, 2024 among our Company, the Book Running Lead Manager and Syndicate Member

7. Tripartite agreement between the National Securities Depository Limited, our Company and the Registrar dated August 21, 2023.

8. Tripartite agreement between the Central Depository Services (India) Limited, our Company and the Registrar August 17, 2023.

B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.

2. Certificate of Incorporation dated November 15, 2000 issued by Registrar of Companies, Madhya Pradesh, Gwalior.

3. Fresh Certificate of Incorporation consequent upon conversion to public company dated September 13, 2023 from Zenith Drugs Private Limited to Zenith Drugs Limited pursuant to the conversion of our Company into a Public Limited Company issued by Registrar of Companies, Gwalior.

4. Resolution of the Board of Directors of our Company, passed at the Meeting of the Board of Directors held on September 16, 2023 in relation to the Issue.

5. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with a shorter notice on September 16, 2023 relation to the Issue.

6. The Statement of Possible Tax Benefits dated September 25, 2023 issued by the Peer Review Auditor included in this Red Herring Prospectus.

7. Peer Review Auditor's report for Restated Consolidated Financials dated January 24, 2024 included in this Red Herring Prospectus.

8. Certificate on Key Performance Indicators issued by our Peer Review Auditor dated January 24, 2024.

9. Consents of the Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review Auditor, Statutory Auditor, Key Managerial Personnel, Banker(s) to the Company, Banker to the Issue; Book Running Lead Manager to the Issue, Syndicate Member to the Issue, Underwriters to the Issue, Market Maker to the Issue, Registrar to the Issue and Legal Advisor to the Issue to include their names in the Red Herring Prospectus to act in their respective capacities.

10. Due Diligence Certificate dated February 08, 2024 addressed to SEBI from Book Running Lead Manager.

11. Approval from National Stock Exchange of India Limited vide letter dated January 03, 2024 letter no NSE / LIST / 2912 to use the name of NSE in this Offer Document for listing of Equity Shares on Emerge Platform of National Stock Exchange of India Limited.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant provisions.

DECLARATION

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

NAME AND DESIGNATION	SIGNATURE
MR. SANDEEP BHARDWAJ *Managing Director* *DIN: 00539347*	*Sd/-*
MR. BHUPESH SONI *Executive Director* *DIN: 00539355*	*Sd/-*
MR. AJAY SINGH DASSUNDI *Executive Director* *DIN: 00835856*	*Sd/-*
MR. ANIL MAILK *Non-Executive Director* *DIN:07192307*	*Sd/-*
MS. RANJANA SURESHKUMAR SEHGAL *Independent Director* *DIN: 01979256*	*Sd/-*
MR. DEENDAYAL KUMAWAT *Independent Director* *DIN: 10332223*	*Sd/-*

SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-
MR. SANDEEP BHARDWAJ
Chief Financial Officer
PAN: AHSPB5218Q

Sd/-
MS. SAKSHI BHAWSAR
Company Secretary & Compliance Officer
PAN: DNMPB6213E

Place: Indore
Date: February 08, 2024

ANNEXURE - A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES LIMITED

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (In ₹)	Listing Date	Opening Price on Listing Date	+ / -% change in closing price, [+ / -% change in Closing benchmark] 30th calendar days from listing	+ / -% change in closing price, [+ / -% change in Closing benchmark] 90th calendar days from listing	+ / -% change in closing price, [+ / -% change in Closing benchmark] 180th calendar days from listing
Main Board								
1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
SME Platform								
1	Reetech International Cargo and Courier Limited	11.71	105.00	October 10, 2022	82.00	-0.78, [5.25]	-7.89, [3.29]	-14.23, [3.18]
2	ResGen Limited	28.20	47.00	March 13, 2023	49.00	18.10, [3.70]	-2.75, [7.53]	67.49, [14.36]
3	Sudarshan Pharma Industries Limited	50.10	73.00	March 22, 2023	73.00	6.50, [2.47]	-1.23, [8.78]	13.21, [16.12]
4	Retina Paints Limited	11.10	30.00	May 3, 2023	29.05	32.82, [2.21]	55.54, [8.61]	96.72, [7.06]
5	Innokaiz India Limited	21.17	78.00	May 11, 2023	148.20	-21.86, [1.16]	-7.08, [6.61]	-22.88, [4.91]
6	Comrade Appliances Limited	12.30	54.00	June 13, 2023	87.00	15.80, [3.83]	80.62, [6.31]	51.89, [10.58]
7	Shelter Pharma Limited	16.03	42.00	August 23, 2023	39.97	4.62, [0.88]	54.72, [0.76]	N.A.
8	Transteel Seating Technologies Limited	49.98	70.00	November 6, 2023	88.90	-0.64, [7.86]	-2.47, [12.58]	N.A.
9	Kalyani Cast-Tech Limited	30.11	139.00	November 17, 2023	264.10	44.32, [8.65]	N.A.	N.A.
10	Amic Forging Limited	34.80	126.00	December 6, 2023	239.40	105.59, [3.42]	N.A.	N.A.

Sources: All share price data is from www.bseindia.com and www.nseindia.com.

Note:

a. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.

b. Price on BSE / NSE are considered for all the above calculations.

c. In case 30th, 90th and 180th day is not a trading day, the price / index of the immediately preceding working day has been considered.

d. In case 30th, 90th and 180th day, scripts are not traded then the share price is taken of the immediately preceding trading day.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Book Running Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Book Running Lead Manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total Funds Raised (‘in Cr.)	No. of IPOs trading at Discount-30th calendar day from listing day			No. of IPOs trading at Premium-30th calendar day from listing day			No. of IPOs trading at Discount-180th calendar day from listing day			No. of IPOs trading at Premium-180th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	*3	46.39	--	--	--	2	--	1	--	--	--	2	--	1
2022-23	**9	179.70	--	--	3	2	1	3	--	2	1	5	--	1
2023-24	***7 ^	175.48	--	--	2	1	2	2	--	--	1	2	--	--

Upto February 08, 2024

**The script with Listing date PlatinumOne Business Services Limited (September 16, 2021), Markolines Traffic Controls Limited (September 27, 2021) and Clara Industries Limited (December 29, 2021)*

***The scrip with Listing date Goel Food Products Limited (June 28, 2022), Sailani Tours N Travels Limited (July 08, 2022), Jayant Infratech Limited (July 13, 2022), B-Right RealEstate Limited (July 13, 2022), Shantidoot Infra Services Limited (September 19, 2022), Steelman Telecom Limited (October 10, 2022), Reetech International Cargo and Courier Limited (October 10, 2022), ResGen Limited (March 13, 2023) and Sudarshan Pharma Industries Limited (March 22, 2023).*

**** The scrip with Listing date Retina Paints Limited (May 03, 2023), Innokaiz India Limited (May 11, 2023), Comrade Appliances Limited (June 13, 2023), Shelter Pharma Limited (August 23, 2023), Transteel Seating Technologies Limited (November 06, 2023), Kalyani Cast-Tech Limited (November 17, 2023) and Amic Forging Limited (December 06, 2023)*

^ The scrip of Shelter Pharma Limited, Transteel Seating Technologies Limited, Kalyani Cast-Tech Limited & Amic Forging Limited have not completed 180 Days from the date of listing.